

- logging is included in forestry as a primary activity. Till 1996 it was part of the industrial branch Timber and wood processing;

- publishing and reproduction of recorded media activities that used to be a part of services sector are now allocated to the industrial branches;

- transport includes tourist agencies activity which till 1996 was part of the services sector;

- the repair of motor vehicles and personal and household appliances that were recorded in the corresponding industrial branches are now allocated to trade.

The application of the new branch classification changed also the treatment of co-operative units in respect to their ownership type. Since 1996 they are re-allocated to the economic units in the private sector.

The structure and growth rates of GDP components by the expenditure side are presented in Table 7 'GDP by final consumption expenditure'. The final use of GDP includes the following categories: individual and collective final consumption expenditures on goods and services, gross fixed capital formation, changes in inventories and net exports of goods and services.

Data on individual consumption include:

- household final consumption expenditures - the purchases of goods and services for final use; the value of consumed own produced goods; the imputed rent of owner occupied dwellings;

- final consumption expenditures of the non-profit institutions serving households (NPISHs) - the expenditures of trade-unions, religious and other NPISHs rendering goods and services to households free or at economically insignificant prices;

- government expenditures on individual goods and services - the expenditures incurred by the State budget aiming to provide free or at economically insignificant prices individual services to households such as education, culture and arts, and health.

Since 1996 individual consumption of households is calculated according to the internationally accepted national concept in respect to final consumption expenditures of foreign tourists in the country and of residents abroad. According to the national concept the money expenditures of foreign tourists are recorded in Balance of payments revenues side as exports of goods and services and the money expenditures of residents abroad are recorded in Balance of payments expenditures side as imports of goods and services. The application of this methodological principle does not change GDP level as it influences both on final

consumption expenditures and external balance of goods and services.

Collective consumption is measured by the expenditures incurred by general government for providing services to the society as a whole - maintenance of settlements (lighting, cleaning, planting, grassing, etc.), science, government administration, defence, security.

Gross fixed capital formation (GFCF) includes the investments made during the year for acquisition of tangible and intangible fixed assets (including unfinished construction projects). According to the applied methodology only that part of the expenditures on acquired existing assets that are related to distribution and installing are included in this aggregate and not the purchase of existing assets itself. The evaluation of gross capital formation is calculated by adding to GFCF the changes in inventories of raw materials, work-in-progress, finished goods, goods for resale and wrappage, young animals and animals for fattening.

Net exports of goods and services are measured by the difference between the exports and imports of goods and services. Exports and imports are valued f.o.b.

Due to the reason that 1998, 1999 and 2000 data are preliminary Table 7 shows statistical discrepancy between GDP estimated by the production and by the expenditure sides.

GDP by income approach is compiled in parallel with the production approach and it shows the generation of primary incomes of all resident institutional units. The generated Gross value added at basic prices as a resource is accounted for either compensation of employees or taxes on production and imports. After subsidies on production are taken into account, the balancing item left is gross operating surplus/mixed income. The GDP components by income approach grouped by branches in accordance with the new National Classification of Economic Activities (NCEA) and in conformity with the economic sector allocation and the ownership type of the institutional units are presented in Table 8 'Generation of income account'.

Compensation of employees includes the total remuneration payable by an enterprise to an employee in return for work done by the latter:

- wages and salaries in cash and in kind; and
- employers' social contributions (actual and imputed), health insurance and contributions to Requalification and Unemployment Fund.

Other taxes on production, net represent unrequited payments of the employers to the state budget less subsidies granted by the state budget to the