Statistics Netherlands

Press release

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GDP 2001 more than 18 billion euro higher after revision

After a revision of definitions and assessment methods, the 2001 gross domestic product (GDP) is more than 18 billion euro (4.3 percent) higher than the GDP that was previously published. Other economic indicators like household consumption, the balance on the current account of the Netherlands with the rest of the world, labour volume, government debt and deficit and the gross national income (GNI) were subject to revision.

National accounts, a statistical description of the economy, is revised every five to ten years by Statistics Netherlands. The aim of the revision is to implement changes in concepts and definitions which are the result of international agreements and also to make national accounts more compatible with economic reality as measured by new and revised statistics which are the basis of the National accounts.

Household consumption more than 11 billion euro higher

The upward adjustment of household consumption amounted to more than 11 billion euro. After revision, part of banking services is attributed to users, e.g. households. This is in accordance with international agreements. As a consequence, household consumption had to be adjusted upwards to the amount of 5 billion euro.

Furthermore, improved data on retail trade turnover were used to estimate household consumption, also resulting in an upward rectification by 5 billion euro. Lastly, changes were effected in the estimate of housing services, telecommunication services and the purchase of second-hand cars by households.

Balance of payments

The balance of goods and services and the income balance were both subject to upward adjustments. The total surplus on the Dutch current account with the rest of the world is 7.2 billion euro higher. The adjustments are based on improved monitoring of international transactions by Statistics Netherlands and the Dutch Central Bank. Additionally, new data on retail and wholesale trade provide more consistency with data on import and export of goods.

Value added commercial services higher

After revision, value added of the Dutch economy is more than 18 billion euro higher. New statistical methods and concepts specifically affected commercial services in an upward direction. Value added of business services and wholesale and retail trade is substantially higher than before the revision.

Increased labour volume

Labour volume of employees is more than 100 thousand labour years (1.8 percent) higher after revision. The total amount of wages paid by employers is more than 3 percent higher, partly caused by an upward adjustment of estimated pension contributions. This is more consistent with the source statistics. The net operating surplus of the private sector is 12 percent higher after revision. The earned income ratio falls from 79.5 to 77.4 percent as a result of these changes.

National income nearly 25 billion higher

The gross national income (GNI) is 24.8 billion euro higher after revision. The GNI is defined as the sum of the GDP and the balance of primary income flows with the rest of the world. The considerable adjustment of the GNI is a consequence of an adjustment of the GDP of 18.4 billion euro and the revision of the balance of received and paid primary incomes (e.g. wages, interest and dividend) from abroad (6.4 billion euro). There are two causes for these revisions: the new statistics of the balance of payments and the introduction of the so-called Special Purpose Entities in the system of national accounts.

Debt to GDP ratio government down, deficit up

Government deficit and government debt are indicators based on the system of national accounts. The 2001 government deficit was adjusted and amounts to 0.3 percent of the GDP, i.e. 0.2 percent higher than before the revision. The main cause of the adjustment is the revised entry of an infrastructural investment by central government. Gross government debt remained unchanged. The debt to GDP ratio, however, changed as a consequence of the upward adjustment of the GDP. The 2001 government debt amounts to 50.7 percent of the GDP, instead of the initial 52.9 percent. The higher GDP also affected the total tax and premium burden which dropped from 39.8 to 38.1 percent.