

T.G. Rawski China 1998 GDP growth estimate  
 \prc\gdp98\gdpcalc.201.xls

Nominal GDP for 1997 and 1998 is the sum of entries in Columns G and H  
 Column I gives 1998 indexes for nominal 1997/98 growth by component  
 For sources and derivations, see \prc\gdp98\notes.201.doc

COMPONENT		Nominal	Data	Index
		1997	1998	for 1998
		RMB Billion		1997=100
<b>WAGES</b>				
W1	Wages to "workers & employees" (zhigong) [1, pp. 140, 157]	940.5	929.6	98.8
W2	Wages to TVE employees [1, pp. 411, 413; 2, pp. 420, 423]	252.9	248.3	98.2
W3	Other wage income - rural residents per capita survey data [1, 111, 338]	325.1	382.8	117.7
		1997	1998	
	Gross wages	536.56	596.58	
	less TVE wages	145.22	138.37	
	=other wages	391.34	458.21	
	ratio:net:gross wage	0.959	0.962	
	pc net wage income	375.29	440.70	
	Rural pop (mill)	866.4	868.7	
	Other wage income	325.1	382.8	
<b>INTEREST</b>				
I1	deposits of urban and rural households	433.6	377.0	86.9
I2	other deposits	<b>OMITTED</b>		
I3	on government debt interest to households on govt domestic debt interest to People's Bank	89.4	110.3	123.4
I4	on foreign exchange reserves	<b>OMITTED</b>		
		1996	1997	1998
	US\$ Billion			
	yearend reserves	105.029	139.89	144.96
	average reserves		122.5	142.4
	interest @ 5%		6.1	7.1
	exchange rate (RMB/US\$)		8.3	8.3
	interest (Bill. RMB)		50.8	59.0
	Sources: (1, pp. 626; 13, p. 131)			
I5	paid by non-financial firms	<b>OMITTED</b>		
	Loans outstanding	yearend	ann. Av	
		1995	5054.4	
		1996	6115.7	5585.05

1997	7491.4	6803.55
1998	8652.4	8071.9

Source: [1, 624; 2, 668; 3, 622]

Interest paid by non-financial firms in 1996  
 [1,92] 534 billion  
 average 1996 rate 0.095612

Aug 1996 rates - average of 6 month and 1 year is  
 9.63 percent [3, p. 626].  
 Use average of 6 mo and 1 year rates for 1997 and 1998

1997 - Rates of August 1996 in force until Oct. 23, 1997  
 10-23-97 average of 6 mo and 1 yr rates 8.14%  
 average rate =  $9.63 \times (10/12) + 8.14 \times (2/12) = 9.38\%$

1998 use Rates of July 1: 6.57 and 6.93%  
 average rate 6.75% [1, 627]

INDIRECT TAX

	Ind&Com	Tariff	Ag&Related			
1997	823.4	655.4	31.9	1510.7	1720.1	113.9
1998	926.3	762.5	31.3			

Source: [1, p. 268; omitting items labeled "income tax"]

DEPRECIATION

	Fixed Assets at original cost				
	1996	1997	1998		
Industry	5202.7	5957.0	6483.2	[4, p. 51]	[1, p. 430*]
Construct	268.6	308.4	338.1	[2, p. 494]	[1, p. 459]
railway	417.2	449.8	494.7	[1, p. 514]	
trade	340.4	379.9	391.6	[2, 609]	[1. 555**]
Total	6228.9	7095.1	7707.6		

data for 1996 [3. Pp. 422, 468, 519, 576]

Industry: depreciation rate is from 1994 SSB data for independent units  
 at and above township level [NB hy 79]  
 0.058879

TVE enterprises: accumulated depreciation [1, p. 414; 2, p. 423] (Bill. RMB)  
 1998 390  
 1997 297.1

So depreciation for the year 1998 is the difference, i.e. 92.9 billion.  
 For 1996, figure is 76.2 billion [3, p. 402]  
 Figure for 1997 - average of 1996 and 1998

Construction: depreciation rate from 98 data in [1, p. 458]  
 0.053113

Railways: depreciation data for 1998 from [1, pp. 514, 519]

0.025024

Trade: depreciation rate for 1995 from [4, pp. 565, 567]  
0.037447

Depreciation	rate	1997	1998	462.9	505.0	109.1
Industry	0.059	350.7	381.7			
TVE		84.6	92.9			
Constructic	0.053	16.4	18.0			
Railways	0.025	11.3	12.4			
Trade	0.037	n.a.	n.a.			
SUM		462.9	505.0			

## PROFIT

P1 profit earned by enterprises in the formal sector				602.7	593.1	98.4
		1997	1998			
Industry		170.3	145.8			
TVE		245.3	196.9			
Construct		38.2	77.8			
Railway		-26.1	0.3			
Banking		30.1	31.9			
Trust&Sec		15.7	40.5			
Insurance		3.0	1.0			
Airlines		2.2	0.0			
Trade		120.8	95.1			
Catering		3.2	3.8			
TOTAL		602.7	593.1			

## P2 net income from household business by rural residents

		1997	1998			
Rural pop (million)		866.4	868.7 [1,111,338]	1276.0	1273.5	99.8
net per capita bus inc RMB		1472.72	1466 [2, p. 315]			
total business income (RMB bill)		1275.965	1273.514			

## P3 miscellaneous income of urban residents per capita data [1, 111, 319]

		1997	1998			
Income of individual laborers		168.17	186.65			
Income of reemployed retirees		50.70	57.34			
Income of other employees		11.73	11.79			
Part-time income		142.93	174.00			
Special income		198.06	210.50			
Sum of above		571.59	640.28			
Urban residents (million)		369.89	379.42			
Misc urban income (RMB billion)		211.4	242.9			

## HOUSING

		1997	1998	188.1	200.9	106.8
Urban						

Net space per person (m2)	8.8	9.3
Urban pop. (millions)	369.9	379.4
Urban housing space (bill m2)	3.3	3.5
Unit cost for 1987(RMB/m2)	213.0	213.0
Total value (RMB bill.)	693.3218	751.5931

#### Rural

Net space per person (m2)	22.4	23.7
Rural pop. (millions)	866.4	868.7
Rural housing space (bill m2)	19.40736	20.58819
Unit cost for 1987(RMB/m2)	56.97	56.97
Total value (RMB bill.)	1105.637	1172.909

#### Housing component

Rental urban @ .08	55.46575	60.12745
Rental rural @ .08	88.45098	93.83273
Depreciation urban	0	0
Depreciation rural @ .04	44.22549	46.91637
TOTAL	188.1422	200.8765

#### Grand Total national aggregate via income approach

exclusive of housing	6105.2	6382.7	104.5
including all sectors	6293.4	6583.6	104.6

#### Calculated increase for 1997/98 (1997=100)

Calculated increase 1997/98 (%)	All Sectors	Omit housing
Nominal	104.6	104.5
Deflated	105.7	105.7

#### GDP deflator 1997/98 (1997=100) [1, 55, 57]

GDP 98 nominal	106.7
GDP 98 real	107.8
Deflator 97/98	98.9

Yearbook total: 1997 GDP at current prices:RMB 7314.2 billion [1, 55]

#### Coverage of present estimate (percent)

excluding housing	83.47
including all sectors	86.04

#### SUMMARY

	1997	1998	Index 1997=100
Nominal Data (Billion RMB)			
Wages	1518.5	1560.7	102.8
Interest	523.0	487.3	93.2
Indirect Tax	1510.7	1720.1	113.9
Depreciation	462.9	505.0	109.1
Profit	2090.0	2109.6	100.9
Housing	188.1	200.9	106.8

GDP Totals			
Nominal GDP (RMB Billion)	6293.4	6583.6	104.6
GDP Deflator	100.0	98.9	
Real GDP (1997 prices)	6293.4	6653.6	105.7