

# Production and Generation of Income Accounts

## Production Account comprises

- Output
- Intermediate Consumption (IC)
- Gross Value Added (GVA)

## Generation of Income Account comprises

- Compensation of Employees (CoE)
- Gross Operating Surplus (GOS)
- Other Taxes less Subsidies on Production (OTSP)

Data for both accounts can be broken down according to Institutional Sector, viz.

### Corporations Sector



### Personal Sector



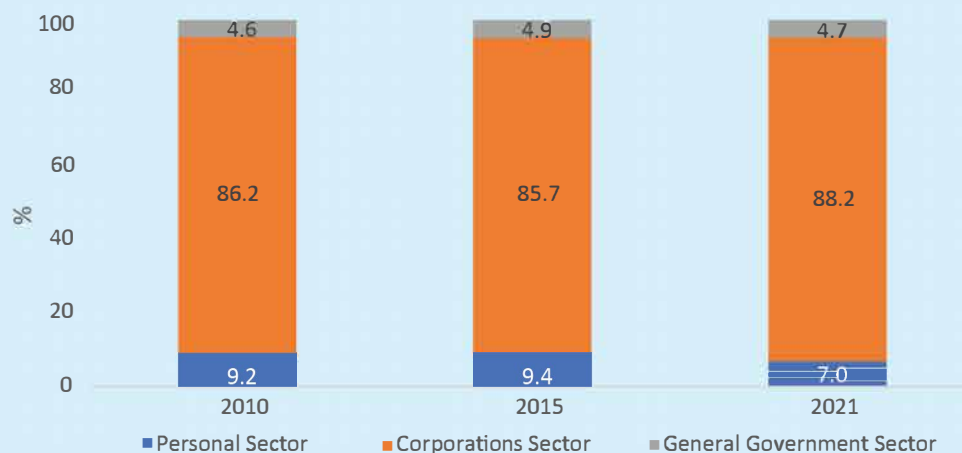
### General Government Sector



## Key Highlights

The corporations sector was the largest contributor to the GVA of the overall economy<sup>1</sup>, accounting for over four-fifths of GVA. Its share of overall GVA increased between 2010 and 2021, as Singapore's pro-business environment supported the growth of corporates across industries.

In comparison, the general government sector was the smallest contributor of overall GVA, with its share at around 5.0 per cent over the period of 2010 to 2021.



As for the generation of income account, both the corporations and personal sectors had a higher profit share (i.e., GOS as a share of the sector's GVA) as compared to wage share (i.e., CoE as a share of the sector's GVA) between 2010 and 2021. On the other hand, wages accounted for the bulk of the general government sector's GVA given the non-market nature of its activity.

<sup>1</sup>GVA represents the value that producers have added to intermediate goods and services.

# Government Consumption Expenditure

**Government consumption expenditure (GCE)** refers to the sum of expenditures incurred by the general government on consumption goods and services provided to the general public, and can be further disaggregated as follows:



## Individual consumption expenditure

consists of expenditure incurred by the government on *behalf of households* (e.g., public education and healthcare which are consumed by individuals or households).

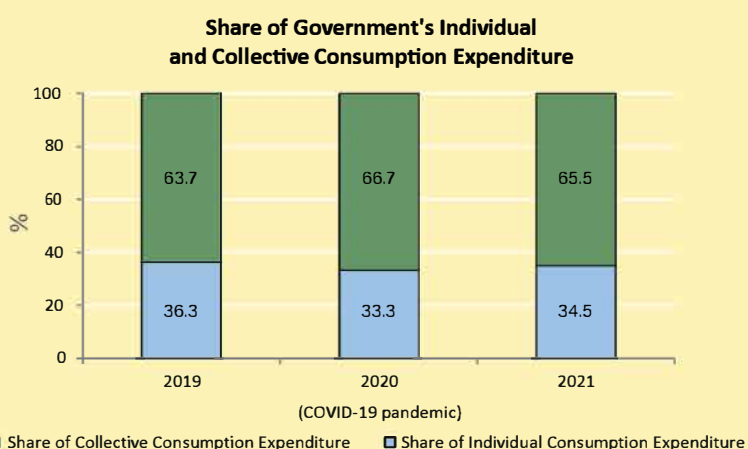


## Collective consumption expenditure

consists of expenditure incurred by the government *for the benefit of the community as a whole or large sections of the community* (e.g., national security and defence).

### Key Highlights

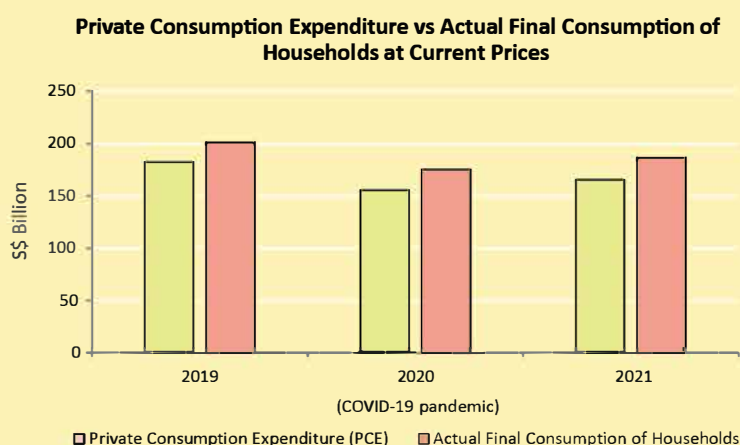
The shares of individual consumption expenditure and collective consumption expenditure over government consumption expenditure remained relatively stable over the period of 2019 to 2021. The relatively higher share of collective consumption expenditure in 2020 was due to increased government spending on the various COVID-19 contingency measures.



**Actual final consumption of households** refers to the sum of private consumption expenditure and the government's **individual consumption expenditure**.

### Key Highlights

PCE grew by around 3.0 per cent over the period of 2010-2021, while **actual final consumption of households** grew slightly faster over the same period, at around 3.4 per cent. Growth of the latter was higher as it takes into consideration the increase in healthcare-related government subsidies to households.



For more information, check out the Statistics Singapore Newsletter Issue 2, 2022 article on *New Data Release: Production and Generation of Income Accounts by Institutional Sector and Government Consumption Expenditure by Individual and Collective Consumption*.

