

Table 11 Office for Budget Responsibility March 2023 Economic Outlook

Percentage change on a year earlier (unless otherwise stated)

	2016	2017	2018	2019 Outturn	2020	2021	2022	2023	2024	2025 Forecasts	2026	2027
Gross Domestic Product at constant prices	2.0	1.6	1.3	1.4	- 9.4	7.6	4.0	- 0.2	1.8	2.5	2.1	1.9
Expenditure components of GDP												
Domestic Demand	2.2	1.2	1.3	1.6	- 9.9	8.8	4.0	0.5	1.4	2.0	1.8	1.5
Household consumption ¹	2.9	1.8	1.6	1.1	- 10.5	6.2	5.4	- 0.8	1.5	1.8	1.7	1.9
General government consumption	0.8	- 0.1	0.4	4.0	- 5.4	12.5	1.9	3.7	1.6	1.2	1.5	1.9
Fixed Investment	1.8	3.3	- 0.2	1.5	- 9.4	6.1	7.7	- 1.6	0.7	3.5	2.1	- 0.4
Business	- 0.5	1.8	- 1.5	1.1	- 11.4	0.9	9.9	- 2.8	1.3	6.1	1.9	- 1.9
General government	1.3	1.7	1.3	4.0	2.7	5.3	2.8	12.3	0.4	- 3.3	- 1.1	- 1.4
Private dwellings	7.6	8.1	6.5	1.2	- 12.4	16.9	6.6	- 7.4	- 0.1	3.4	4.6	2.9
Exports of goods and services	2.3	- 0.5	1.2	2.7	- 13.9	2.2	10.3	- 6.6	- 0.3	1.1	0.7	0.4
Imports of goods and services	4.8	5.7	2.0	2.7	- 15.9	6.2	12.6	- 4.0	- 1.3	- 0.4	- 0.5	- 0.9
Inflation												
CPI (Consumer Price Index)	1.1	2.8	2.5	1.8	0.9	2.6	9.1	6.1	0.9	0.1	0.5	1.6
RPI (Retail Price Index)	2.1	3.7	3.3	2.6	1.5	4.0	11.6	8.9	1.6	1.0	1.7	2.8
GDP deflator at market prices	2.2	1.9	2.2	2.1	5.6	- 0.2	5.1	2.9	1.9	1.1	1.0	1.6
Labour market												
Employment (millions)	31.7	32.1	32.4	32.8	32.5	32.4	32.7	32.8	32.8	33.1	33.4	33.7
Wages and salaries	4.0	4.0	4.8	3.7	2.1	6.5	7.4	5.0	1.9	2.4	2.5	3.0
Average earnings ²	2.9	2.7	3.3	3.0	1.8	5.5	6.2	5.0	1.8	1.7	1.9	2.5
LFS unemployment (%age)	4.9	4.4	4.1	3.8	4.6	4.5	3.7	4.1	4.4	4.3	4.2	4.1
Household sector												
Real household disposable income	0.2	- 0.2	2.4	1.8	- 0.5	1.2	- 2.5	- 2.6	1.7	2.4	2.0	1.9
Savings ratio (level, %age)	7.1	4.5	5.8	6.5	13.7	12.6	7.7	6.3	6.6	7.4	7.8	7.9
House prices	7.0	4.6	3.2	1.0	2.8	8.8	10.6	- 1.1	- 5.7	1.1	3.4	3.6
Fiscal aggregates (%age of GDP) ³												
Public sector net borrowing	2.3	1.9	1.8	2.6	55.1	321.9	127.8	99.1	50.2	36.5	34.8	31.6
Public sector net debt	85.3	85.0	80.6	84.4	82.7	83.9	88.9	92.4	93.7	94.6	94.8	94.6
General government net borrowing ⁴	2.4	2.0	1.8	2.8	2.6	6.2	6.0	5.6	3.7	2.9	2.6	2.1
General government gross debt ⁴	85.9	84.8	84.6	84.4	107.7	102.1	100.5	105.9	106.9	107.2	107.3	106.8

Source: OBR Economic and Fiscal Outlook Report, Fiscal Sustainability Report and supplementary tables.

Notes: 1. Includes households and non-profit institutions serving households.

2. Wages and salaries divided by employees.

3. Fiscal aggregates are for the financial year (i.e. 2016 is 2016/17).

4. General government borrowing and debt measures on a Maastricht basis.

5. Claimant count is no longer reported or projected by OBR and so is omitted from this table.