

**Proceedings of the 5th Annual
Federal Depository Library Conference
April 15 - 18, 1996**

Bureau of Economic Analysis Gross State Product

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Gross State Product (GSP) is an annual estimate produced by the Regional Economic Analysis Division at the Bureau of Economic Analysis. GSP, which is the market value of the goods and services produced by the labor and property located in a State, is the State equivalent of U.S. Gross Domestic Product (GDP). Thus, GSP is not simply a measure of total sales in a State, it is a value added concept equivalent to gross output (sales plus inventory changes) minus intermediate inputs (goods and services purchased from other industries or imported) used in the production of goods and services.

Although GSP and personal income estimates both include the income received by wage and salary workers and proprietors, the two measures differ in that personal income, measured by place of residence, does not include business sector contributions to a region's total economic output. However, like the State personal income estimates, Gross State Product estimates are consistent with the national estimates; just as State personal income estimates sum to U.S. personal income in total and by component, GSP sums to the U.S. GDP estimates in total, by industry and by component.

Variables, Industries and Years Estimated

Gross State Product estimates are currently available for the years 1977-1992 in both current and constant dollars. GSP is estimated for the following four income components at the 2-digit SIC level (61 industries):

- . Compensation of wage and salary employees ("compensation");
 - Proprietors' income with inventory valuation adjustment and capital consumption allowances ("proprietors' income");
 - Indirect business taxes and nontax liability ("IBT"). (This includes about 50 individual taxes including Property, Sales and Federal Excise Taxes);
 - Capital charges ("corporate income").

Data Uses

At the national level, Gross Domestic Product is used to address important issues on productivity, growth, and rising standards of living. GSP addresses identical issues for States. GSP estimates can be used for a variety of regional research and planning interests, including:

- forecasting regional growth and tax revenue associated with that growth;
- determining which States are the most productive and if the most productive are the fastest growing;
- determining which industries in a region are the most productive and whether those industries pay the highest wages;
- determining if the most productive industries are the fastest growing industries in either product or employment.

Data Availability and Sources

A new set of estimates for the years 1977-1995 will be released in the spring of 1997. These estimates will be consistent with the recently released National Income benchmark estimates. Subsequent GSP estimates, which are scheduled to be released in the spring of each year, will lag the current year by 18 months.

The Gross State Product estimates are available in the following formats:

- Diskette
\$40, to order call 202-606-3700
- REIS CD-ROM
\$35, to order call 202-606-5360
- STAT-USA online service <http://www.stat-usa.gov>, for prices and information call 202-482-1986
- Economic Bulletin Board
for prices and information call 202-482-1986
- Survey of Current Business
May 1995 issue - summary data only.