

our effective London debt to £(N.Z.)99,952,626 or £79,962,101 sterling. This transaction for the first time in twenty-five years reduces the overseas debt below £(N.Z.)100,000,000 and considerably lowers the heavy interest commitments which have for many years been a charge against our export credits.

One further internal loan of £3,492,230, at 4 per cent. maturing 30th November, 1948, requires attention this financial year.

### National Income Statistics

It is pleasing to record a recent important advance in the presentation of detailed statistical information regarding the economic affairs of New Zealand. I refer to the publication entitled *National Income of New Zealand, 1938-39 to 1947-48*, which has been compiled by the Government Statistician and will be available to members to-night. The series of tables published, the principal of which are printed in this Budget, represent an important first step for this country in social accounting. In the tables is set out the distribution of income between the various factors engaged in producing the current flow of goods and services of all kinds. This information throws valuable light upon the distribution of our national income and should prove most useful in guiding future economic policy. It will also provide a much better basis for comparison than was obtainable from the older method of comparing on a *per capita* basis.

The tables are not in any way complete, and it is proposed as further information becomes available to publish more tables giving in more detail the distribution of income between the various sections of the population.

As is the case in other countries it is hoped to develop further the studies in social accounting, and to publish as soon as is practicable additional series of tables showing the national output, distinguishing the various branches of economic activity and setting out the contribution of each to current production of goods and services. Similarly, it is hoped to develop also the National Expenditure tables, to indicate statistically the manner in which the income earned by the factors of production is devoted to current consumption, to investment in extensions of fixed or floating capital, and to the maintenance of existing capital equipment.

The following table illustrates one of the many ways in which national income studies may be employed to shed light upon current problems of economics and of public finance in particular. The table gives a comparison of the proportion of total private (including