

of aggregate incomes and value of production are shown in the following table of official index numbers of the volume of production, which for purposes of comparison includes also the index numbers of value of production :—

INDEX NUMBERS OF VALUE AND VOLUME OF PRODUCTION
(Base : 1938-39 = 100)

Production Year.	Farm.		Factory.		Total (all Groups, including Other).	
	Value.	Volume.	Value.	Volume.	Value.	Volume.
1938-39 ..	100	100	100	100	100	100
1939-40 ..	105	102	110	110	106	105
1940-41 ..	120	116	122	114	118	112
1941-42 ..	119	111	135	117	120	110
1942-43 ..	120	108	148	122	125	109
1943-44 ..	122	105	162	129	129	107
1944-45 ..	143	114	168	132	144	113
1945-46 ..	140	109	179	136	148	112

This table indicates that from 1938 to 1946 farm production increased in volume by 9 per cent. as against an increase of 40 per cent. in value ; factory production showed a 35 per cent. increase in volume as compared with a 79 per cent. increase in value, and total production an increase of 48 per cent. in value and 12 per cent. in volume.

It is clear from these figures that, although production has actually been increased in volume in spite of the difficulties inevitably associated with war, values have reached high levels from which they may recede. In these circumstances it is wise to take all possible steps to strengthen the national economy by greater and more efficient production and by the avoidance of courses of action that would raise costs and prices without increasing the supply of real goods and services.

STAFF

The staff's high standard of work has been maintained during the past year and the Board is pleased to record its appreciation of the efficient and willing services rendered.

For and on behalf of the Board of Directors :

W. F. L. WARD, Governor.

E. C. FUSSELL, Deputy Governor.

22nd June, 1948.