



# National Accounts (Income and Expenditure): Year ended March 2020

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# National Accounts (Income and Expenditure): Year ended March 2020

## National Accounts (Income and Expenditure): Year ended March 2020

### Methodology

#### Period-specific information

This release contains revisions arising from new and updated information. It incorporates [National accounts \(industry production and investment\): Year ended March 2019](#) statistics and new and improved information.

#### Estimates for 2020 are provisional

Figures for the year ended March 2020 are provisional, and incomplete for the business sectors of the economy. We will incorporate up-to-date information in future releases. The new information will also affect distributions between the business and household sectors and flow into household saving.

*National accounts (income and expenditure): Year ended March 2021* will provide provisional estimates for the March 2021 year and revised estimates for the March 2019 and 2020 years.

Revisions to the national accounts in 2021 will result from up-to-date information becoming available, including updated data from the [annual enterprise survey: 2019 financial year \(provisional\)](#) and the inclusion of detailed results from the 2020 annual enterprise survey.

Statistics for the years up to 2019 are consistent with [National accounts \(industry production and investment\): Year ended March 2019](#)

#### Revisions

This release contains the following revisions to annual national accounts arising from new and updated information:

- accurate data becoming available from the underlying data sources, such as the low-level financial data that becomes available with the annual enterprise survey update
- an extra year of balanced national accounts data, with goods and services reconciled up to the March 2019 year
- improvements to production GDP which affected revised numbers for gross operating surplus and mixed income
- revisions to household consumption expenditure (HCE) and gross fixed capital formation (GFKF)
- annual improvements to balance of payments data (2011-2019)

The institutional sector accounts also include the following updates:

- updated tax data
- the reconciliation of financial flows, such as interest and dividends payments and receipts, between all sectors to 2019
- incorporation of 2018 Census and 2019 Household Economic Survey (HES)

See the [2020 national accounts improvements preview](#) for more information on the above changes.

In addition to the revisions mentioned in the preview paper, in the institutional sector accounts the following improvements have been made:

- Updated benchmarks from the Household Economic Survey (HES) impacting household current transfers between 2014-2019.
- Incorporation of new methods - for the year ended March 2020 provisional estimates of household entrepreneurial income, we have used Business Data Collection (BDC) based indicators to replace our current gross mixed income estimation method for most industries excluding agriculture.
- We have revised sector allocations of insurance claims related to the Christchurch and Kaikoura earthquakes. Insurance flows related to the Christchurch and Kaikoura earthquakes are recorded as capital transfers in our national accounts. We have updated data for recognised claims by Earthquake Commission (EQC) and private insurers relating to the earthquakes.
- We also made quality improvements to the processes used to allocate insurance claims to the institutional sectors most affected by the earthquakes. These changes have been backdated to 2011. As BOP will continue to update their reinsurance claims figures each year until claims are exhausted, we expect further revisions over the next few years.
- An error was identified in the split of income tax paid between non-financial and financial business between 2006-2018. In this release, the share of income tax has been redistributed between the two sectors to correct this. The total level of income tax paid is unaffected.

#### Revisions to national accounts (industry production and investment)

The revisions to national accounts (industry production and investment) result from balancing the production and expenditure estimates of GDP within a supply-and-use framework.

[Annual national accounts sources and methods](#) has more information on this.

#### Revisions to balance of payments

[Balance of payments and international investment position: Year ended 31 March 2020](#) included revisions to overseas investment income, which are included in this release. Revisions include the seasonal adjustment, imputation, investment income, personal transfers, overseas reinsurance claims from the Canterbury and Kaikōura earthquakes, and compensation of employees.

See [2020 revisions to balance of payments and national accounts](#) for balance of payments revisions and an evaluation of their impact.

#### Revisions to national saving from new and improved information

##### National saving revisions summary

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**Year ended March**|**National saving in current price, \$(million)**

|Published Nov 2019|Published Nov 2020|

**2009**|992|1,036|

**2010**|5,391|5,552|

**2011**|5,271|5,438|

**2012**|6,594|6,793|

**2013**|6,532|6,957|

**2014**|13,370|13,685|

**2015**|13,861|14,225|

**2016**|16,805|16,970|

**2017**|18,213|17,911|

**2018**|20,968|20,590|

**2019**|21,238|19,857|

#### Revisions to household saving from new and improved information

## Variables