

Satisfactory arrangements have been made in regard to the conversion of a loan of over £7,000,000 sterling which is due for repayment in London on the 1st March next. A conversion offer has also recently been made in respect of nearly £10,000,000 due for repayment in New Zealand.

In accordance with my Government's policy of extending the benefits of the social-security legislation wherever practicable it is proposed to make more adequate provision to meet the payment of domestic or nursing assistance in cases where invalids are maintained in the home.

My Ministers are examining the practicability of assessment for income-tax for each year being based on the income earned during that year and also of providing for payment of the tax being spread over the year.

Preliminary steps have been taken by my Government towards the determination and settlement of the long-standing Maori land claims in both Islands, and it is anticipated that during the course of the present year such progress will be made as will permit of finality being reached.

HONOURABLE GENTLEMEN OF THE LEGISLATIVE COUNCIL AND MEMBERS OF  
THE HOUSE OF REPRESENTATIVES,—

My Government are of the opinion that the present and future welfare and progress of the Dominion are largely dependent upon the prevention of inflation and the safeguarding of the basic standards of living of the people, and they are determined that the stabilization of costs and prices will continue to occupy a foremost place in their economic policy.

My Advisers are devoting much attention to the problems involved in the rehabilitation of ex-servicemen and ex-servicewomen, and are determined that every possible assistance will be given to them in the difficult task of re-establishing themselves in civil life. Considerable progress has been made in this direction during the past year. The rehabilitation organization has assisted thousands of men who have returned from overseas or who have been demobilized after service in New Zealand to obtain or build houses, to establish themselves in business, to take up land, or to complete their education and trade training.

The administrative system set up under the Rehabilitation Act, 1941, has been extended in several important respects, and last year a Minister of Rehabilitation was appointed who will be wholly responsible for rehabilitation policy.

The settling of ex-servicemen on the land is regarded as of special importance, and considerable areas are being acquired and developed for this purpose. A farm-training plan has been put into operation so that inexperienced men can be fully trained before they begin farming on their own account.

My Government are deeply conscious of the outstanding contribution to the Dominion's war effort by the Maori race, whose devotion to the cause of freedom the deeds of the Maori Battalion have so strikingly demonstrated, and proposals have been formulated which will ensure that Maori ex-servicemen and ex-servicewomen can participate fully in all the benefits under the rehabilitation schemes.

In common with other countries involved in the world conflict, New Zealand is suffering from an acute housing shortage. One of the main causes of the present situation is that, on Japan's entry into the war, practically all house-construction was necessarily suspended in order that the effort of the country could be concentrated upon works directly connected with defence. Now that the Japanese menace has further receded and the greater proportion of the urgent defence works has been completed, building-materials and labour are being released to an increasing extent for the construction of dwellings, and my Government are pressing on with all possible expedition with an extended housing programme that has already been planned by my Minister of Works.