

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

The many problems arising from the transition from war to peace will demand increasing attention. In particular, consideration must be given to the steps necessary to ensure full employment and economic stability in the post-war period. A commencement has been made with the practical work of planning a fuller development of New Zealand's industries and resources.

The need for continuing the application of wartime controls is under constant examination. It is the policy of my Ministers to dispense with emergency regulations as soon as the necessity for them passes. Individual controls are in fact being relaxed or removed as they become unnecessary for the efficient conduct of the war. As men return from overseas and as the special wartime demands on our industries diminish in intensity, a steady relaxation of measures of man-power control will be possible.

A continued use of measures of control has ensured that the Dominion's limited wartime man-power resources have been adequately concentrated at those points in industry which continue to be most vital both to maintain essential production and to keep key services in full operation. My Ministers have pursued the policy of bringing back to New Zealand those men who have had long service overseas. One result of this has been that in the past twelve months an additional nine thousand returned servicemen have been placed in primary industry. These men have been partially replaced in the Armed Forces by men who have hitherto been held back from military service.

My Government, believing that rehabilitation is the greatest problem with which they will have to deal in the reconstruction of the Dominion's economic and social life, have continued with unabated energy in their plans and efforts to replace successfully in civil life the many thousands of men and women, pakeha and Maori alike, who have been and are serving so magnificently with the Armed Forces. The conclusion of the war in Europe has brought greater urgency to the satisfactory and complete fulfilment of this task. Of that urgency my Ministers are deeply conscious and have made comprehensive plans to meet our rehabilitation needs.

Moneys expended on rehabilitation of ex-service men and women to the end of May of this year amounted to more than £10,000,000. During the past year interest rates chargeable on loans of all kinds to ex-service men and women were reduced.

My Advisers have proceeded energetically with the training of ex-servicemen for farm settlement, while an increasing number has been placed on farms of their own with rehabilitation finance. To help overcome the difficulties experienced by ex-servicemen in obtaining suitable properties, well over 100,000 acres of land have, by negotiation, been purchased in the name of the Crown for development and settlement, while, under section 51 of the Servicemen's Settlement and Land Sales Act, 1943, land capable of subdivision into about one hundred and fifty single farms has been acquired for the same purpose. The acquisition and subdivision of suitable land for the settlement of ex-servicemen will be accelerated.

Full advantage has been taken of the assistance provided for studying under numerous and varied educational courses at a University and elsewhere, including post-graduate courses overseas. It is planned to provide overseas bursaries for both educational and technical purposes on an expanding scale to men who may wish to take advantage of these facilities before returning to New Zealand from overseas service.

During the past year the administration of rehabilitation has been still further decentralized, resulting in speedier re-establishment of those seeking assistance.

To combat the shortage of trained labour in the building industry, and at the same time contribute to the vocational rehabilitation of ex-servicemen in building trades, the policy of establishing training-centres for these and other trades throughout the Dominion will be continued.

My Ministers are determined, as far as possible, to alleviate the acute housing shortage in the Dominion, which, in common with other countries at war, was compelled to curtail house-building so that man-power and materials could be directed to war work. Anxiety to improve the housing situation is emphasized by the