

The diversification of export markets and products is being successfully pursued and this policy will continue to be vigorously promoted. A market diversion scheme for meat is being worked out by the Meat Producers' Board and meat exporters in consultation with the Government. At the appropriate time legislation will be introduced to facilitate the operation of this scheme.

The rate of agricultural development within New Zealand gives cause for satisfaction. High farming investment has been accompanied by record increases in livestock numbers. The programme of expansion drawn up by the Agricultural Development Conference is in operation and in the past year the targets set by the conference have been substantially exceeded.

The build-up of capital stock on the farms has involved some withholding of meat from overseas markets and, as a consequence, the earning of overseas funds has been lower than would otherwise have been the case. My Government believes, however, that the higher overseas income which will result in succeeding years makes this a sound investment for New Zealand.

Measures are being taken to provide new animal quarantine stations and to develop national schemes for the control of dangerous animal diseases. The funds available for scientific research in agriculture and forestry, as in other fields, have been substantially increased.

In the past two years, the State Advances Corporation has provided record sums in loans to farmers, both for the purchase of new properties and for farm development. The finance made available through the Marginal Lands Board has doubled in the same period.

My Government will continue to develop land in regions offering opportunities for increased production and new settlement, in particular in the Rotorua-Taupo and Gisborne - East Coast areas, in Northland, on the West Coast of the South Island, and in Southland.

You will be asked to consider an Animals Bill to consolidate and modify the provisions of the Stock Act and its amendments, an Animal Remedies Bill, and an amendment to the Stock Foods Act. There will also be a Poultry Bill, a Wool Industry Amendment Bill, and an Agricultural Pests Destruction Bill.

In the manufacturing sector, investment has been at record levels, with a consequent heavy demand for imported equipment and materials. The building and construction industry has been operating at full capacity.

The effects of this high rate of investment, together with rising consumer spending, have been felt in labour shortages and an increased demand for imports.

It is the aim of my Advisers to moderate the pace of expansion of the economy in order to ensure that the nation's overseas earnings are put to the most effective use. To this end, Government expenditure has been held down wherever possible. Saving has been encouraged and restraint has been maintained on the level of credit. The Import Licensing Schedule for the coming year has been designed to take account of New Zealand's continuing development needs and of the balance of external receipts and payments.

Legislation to establish an Industrial Design Council will be submitted for your consideration. By providing an advisory service on design, the Council will assist manufacturers to enhance the quality of New Zealand goods and aid the export drive. There will also be Bills to establish an Inventions Development Authority and to reorganise the Consumer Institute as an independent body to safeguard the interests of the consumer.

A Bill to consolidate the Customs Act and its amendments will also provide for the adjustment of certain procedures in the light of present conditions and for the simplification of the Customs law in relation to coastal shipping.