

Within New Zealand, selective measures have been taken to lessen the impact of the adverse circumstances which still affect the economy. My Government has speeded up the calling of tenders for some buildings. It is also providing employment in a number of labour-intensive projects of real value to the economy and has offered generous subsidies to local authorities to help them to take similar action. Life Offices and Savings Banks have been authorised to divert some of their funds from Government stock to local authority loans and to loans for new housing. Lending limits for new houses have been increased and more Crown sections are being made available to private builders. Some hire purchase restrictions have been eased. The possible need for further measures is being kept under continuous review.

At the same time my Ministers have been concerned that a positive approach should be adopted towards New Zealand's longer term development. Earlier this year they therefore took steps to set up a National Development Conference. It will be its purpose to devise constructive measures for stimulating soundly based and sustained economic growth.

The Steering Committee and other committees are already at work preparing the background material for the first session of the Conference. They are dealing both with the main sectors of the economy—agriculture, manufacturing, forestry, fishing, tourism, minerals, transport, and distribution—and with the major factors which influence development, such as education, training and research, manpower, and marketing.

My Ministers anticipate that this expansion of indicative planning on to a national scale will provide targets and policy recommendations for the economy as a whole and also for key industries during the next 5 to 10 years. Particular attention will be given to those forms of production which have the greatest capacity for the net earning of overseas exchange.

Two special conferences, on forestry and tourism, will be held within the framework of the National Development Conference.

Rapid developments in forestry and in the wood-based industries, stimulated by devaluation and the Free Trade Agreement with Australia, make it clear that a stocktaking at this time will be of the utmost value.

Last year more than 200,000 overseas tourists, a record number, visited New Zealand. It is the objective of my Ministers, through the Tourist Conference, to secure the support of all sections of the industry for a co-ordinated drive to develop the full capacity of tourism to earn overseas funds.

The National Development Conference will consider targets for the pastoral industry up to 1978–79. The build-up of stock numbers in recent years has been in line with the targets for 1972–73 which were previously set by the Agricultural Development Conference. Further substantial increases in stock numbers are expected in 1969.

In the season which is closing farm production has been well maintained. To offset the effect of lower incomes in some sectors of the industry, my Government has taken steps to ensure that finance is available for sound farm development programmes. It welcomes the wider use which is now being made of advisory, scientific, and financial services.

My advisers have nevertheless been increasingly concerned by the growing pressures which protectionism and surplus products have been exerting on New Zealand's markets. The market in the United Kingdom is of fundamental importance, particularly for the dairy industry and for lamb, and my Ministers will spare no effort to safeguard it against unfair competition. They will continue also to watch closely any developments which might affect Britain's application to join the European Economic Community.