

countries offering the prospect of substantial new trade without displacing old and established relationships. The Middle East, China, the Soviet Union, Eastern Europe and Latin America have become important areas of concentration for New Zealand's political and economic diplomacy.

This effort will continue, along with the promotion of our trade with major historical markets. An immediate objective is to secure a satisfactory basis for continuing sales of our dairy products in the European Community beyond 1977. The Government will also take a full part in the multilateral round of tariff negotiations under the GATT.

The exploration and development of New Zealand's own energy reserves have gained an added importance as a result of the energy crisis. This has intensified existing world problems of slow growth and severe inflation and added to balance of payments disruption, monetary instability and high energy and fertiliser costs throughout the Western world. Therefore, the Government has, in encouraging the search for oil, negotiated agreements with several petroleum licence holders which will give the people of New Zealand a controlling interest in the development of commercial discoveries.

Further positive steps are being taken to develop the Maui field, to accelerate the Kapuni field's output and to expand research.

It will be the Government's policy, when granting petroleum prospecting licences in the future, to take options to participate in the development of petroleum discoveries.

The Government intends also to accelerate the programme to establish more accurately the nation's coal reserves and it will be seeking co-operation from the whole community in moves to improve economy and efficiency in fuel usage.

The answer to our balance of payments problem lies as much in expanding the volume of exports as in reducing the consumption of imports. The Government aims to give all necessary assistance and incentives to promote exports in both the manufacturing and farming sectors.

Through a series of industry reviews, an examination will be made of each industry's development needs in terms of its capital research, personnel training and protective requirements. While improvements will be made to the financial and supporting and advisory services available, the Government is confident that manufacturers themselves can and will do much to improve their own performance.

The Government will continue to stimulate and maintain a condition of free and fair competition. Accordingly, you will be asked to reconsider the Commerce Bill which aims at freeing trade from artificial impediments and so improving its efficiency and productivity for the benefit of consumers, business concerns in general and the economy as a whole.

The measures announced earlier this year for assisting the farm sector are designed to maintain New Zealand farmers as healthy and competitive exporters and to reduce the impact of any future sharp changes in export returns.