

Short-term economic problems—while urgent and important in themselves—are symptomatic of some underlying weaknesses within the economy. Perhaps the most startling evidence of this is that in the decade ending in 1974 the rate of increase in our national income per head was less than that in every other developed country. The Government is determined not to let the need to overcome short-term difficulties overshadow the search for solutions to the more basic problems.

The permanence and extent of the problem suggests that fundamental changes will be required over the next few years in most areas of the economy. Already the Government has instituted measures such as the energy pricing policy, the promotion of industry development plans and the stimulation of export industries to encourage the efficient use of resources. But it is clear that further measures will be needed.

Ministers therefore attach special importance to the proper co-ordination of priorities in all spheres of public and private planning; they recognise that the social and regional aspects of national development require considerable attention so that planning for economic growth and stability can be undertaken on a much broader basis than in the past.

The establishment of the New Zealand Planning Council should provide a catalyst and a focus for co-operative endeavours by Government, local and regional authorities and private agencies and individuals to plan for improvements in New Zealand's economic, social, and cultural life, with due regard for the environment. The Government will give priority this session to the introduction of a Bill to define the status and functions of the Planning Council.

A further major economic measure for consideration this Session is the Public Finance Bill which will contain some important new measures designed to enhance parliamentary control over the expenditure of public money.

The severe inflation experienced over the last few years, coupled with historical cost accounting, may have distorted investment patterns and discouraged productive investment. Ministers are studying submissions made on the report of the Committee of Inquiry into Inflation Accounting.

New Zealand's future prosperity will continue to depend on the vigour of its primary industries and their ability to compete for export markets. The Government's commitment to increasing agricultural production is evident from the successful establishment of the Livestock Incentive Scheme to accelerate increase in livestock numbers. The Rural Bank will continue to be provided with adequate funds by the Government to meet the reasonable needs of the agricultural sector, particularly for farm development.

Among other measures aimed at increasing production and efficiency the Government will introduce a Noxious Plant Bill to improve noxious weeds administration, a Potato Growing Industry Bill to bring the industry under a reconstituted Potato Board, and a Wool Industry Bill to merge the Wool Board and the Wool Marketing Corporation.

While continuing to encourage the export industries based on forest resources and to maintain a substantial afforestation programme, the Government will examine the future contributions to the economy of