

appreciate the unsparing efforts of our Sovereign in making personal contact with the peoples of her many realms. These visits are a feature of Her Majesty's reign but I am sure that no one takes their frequency for granted.

My Government is delighted at today's announcement that His Royal Highness The Prince Edward will spend some time later this year and next year at Wanganui Collegiate School as a house tutor/junior master. This will further cement the links which bind us to our Sovereign and her family.

HONOURABLE MEMBERS, an action of special constitutional significance is contemplated. The Government proposes to advise Her Majesty The Queen to grant new Letters Patent constituting the Office of Governor-General, to replace the current Letters Patent and Royal Instructions which date from 1917. Consequently, during this Session, the Government intends to introduce complementary legislation to make statutory adjustments of a technical nature arising from the proposed grant of Letters Patent by Her Majesty.

HONOURABLE MEMBERS, after a period of stagnation the New Zealand economy experienced a moderate recovery in 1981. During the past year real growth has occurred in manufacturing activity, retail turnover, and in the building and construction sector. This improvement was consistent with the Government's medium-term growth plans.

The economies of many of our major trading partners have been in recession over the past 2 years with the result that there has been a depressed demand for many of our agricultural products and consequent low prices. Despite this export volumes are increasing. Once prices reach a higher level (and there are some early signs that this is happening), the balance of payments should start to improve.

During the year supplementary minimum price payments provided substantial farm income support. Exporters also benefited from the Government's exchange rate policy.

With the Federation of Labour, the Employers' Federation, and the Combined State Unions the Government has been engaged in renewed efforts to reach an agreement to offset tax cuts by reduced wage