

1940.
NEW ZEALAND.

FINANCIAL STATEMENT.

(In Committee of Supply, 27th June, 1940.)

BY THE HON. WALTER NASH, MINISTER OF FINANCE.

MR. CHAIRMAN,—

As Honourable members will recall the last Budget was presented by my late colleague, the Right Hon. M. J. Savage, whose recent death has removed one of the most outstanding personalities in the Dominion's history. His works will be his greatest monument to future generations.

Since the presentation of the last Budget the British Empire has taken up arms to resist the oppression of a powerful and ruthless nation whose objective is the subjection of the democracies and, in particular, the destruction of the British Commonwealth of Nations: the Commonwealth of which we are proud and privileged to be a member.

The menace from our enemies will bring out all that is great in our people—initiative, fortitude, willingness to sacrifice, and suffer hardship as required—so that the menace may be removed from the world, and our enemy may not prevail.

The glorious traditions of self government and free government associated with the British race will, I believe, be extended out of the present travail of suffering and distress from which will ultimately come a world of more stable order.

On the outbreak of war the New Zealand Government, on behalf of the people, immediately offered full and unqualified support to the United Kingdom and her Ally, France, and every effort has been made to make that support as effective as possible. Apart from the all-important assistance in the actual theatre of war, since the outbreak of hostilities the whole of New Zealand's exports have been made available to the United Kingdom Government, while at the same time, under our import selection policy, purchases of goods have been diverted to the United Kingdom wherever supplies have been available from that source.

**Offer to United
Kingdom
Government.**

In present circumstances, when all attention is focused on the war situation, I do not propose to review the governmental activities of the past year to the same extent as is customary, but will refer to them in relation to our war effort or for purposes of comparison. Otherwise I propose to deal as concisely as possible with proposals for the current year.

Last year's public accounts have already been published, disclosing a Budget surplus of £319,000. Honourable members will obtain fuller details from the usual departmental reports, although these will be reduced in size to conserve the paper-supplies.

**Budget Surplus
1939-40.**