

**Stabilization Subsidies**

In connection with the stabilization policy, it will be recalled that certain revisions and cancellations of some subsidies were made in last year's Budget. These alterations have now taken effect, and the estimates for stabilization subsidies in the year 1948-49 are £11,586,000, which is a lower figure than for recent years. Shipping and transport subsidies, which are estimated at £2,052,000, include a railway working loss estimated at £600,000. Other important subsidies relate to coal, carriage of lime and fertilizers, clothing, and essential foodstuffs, such as dairy produce, tea, wheat, and flour. The effect of these subsidies is to hold the cost of living and to assist in maintaining stabilization.

**Other Votes**

The total estimated cost of other votes is £27,677,000, representing an increase of approximately £1,200,000 over last year. The main variations in individual votes are a substantial reduction in Internal Affairs on account of the transfer of the subsidy to the Superannuation Fund to permanent appropriations, and increases in Labour and Employment due to immigration activities, and in Agriculture on account of additional services.

**State Forest Finance**

The provision of funds for State forests activities has been recorded in the past in a separate account within the Public Account and known as "State Forests Account." As the expenditure from year to year has exceeded the revenue the difference has been made up by borrowings.

A separate cash account to record forest finance is not essential, and it is proposed to provide the necessary legislation to close this account. Votes are being provided on the Consolidated Fund to make funds available for forests administration and on the Public Works Account for forests development.