

Overseas Passenger Tax

To provide revenue during the depression years a duty of 5 per cent. was levied on all fares paid by overseas passengers. The duty is difficult to collect and representations have been made by overseas companies and passengers and New Zealand travellers for its remission.

It is proposed to abolish the duty, and the loss of revenue for a full year is estimated to be £50,000.

Income-tax Rebate

To give some relief to individual taxpayers and particularly to those on lower incomes, it is proposed to grant for the current year a rebate up to £10 on the income-tax assessment of individuals. The procedure will result in complete freedom from income-tax of all those whose assessments are £10 or less and will provide for a deduction of £10 from all individual assessments in respect of income derived during the year ended 31st March, 1948.

The reduction in revenue on this account is estimated to be £3,250,000.

The aggregate loss of revenue under all headings for the current year is estimated to be £4,000,000 and provision has been made for this sum in the figures of estimated receipts totalling £114,867,000, which I have mentioned earlier this evening.

Increased Production

Before concluding my statement I should like to emphasize again the necessity for increased production. The great need for our dairy products, meat, and wool which exists in the Homeland and elsewhere presents a challenge which we should meet. The urgent need of others is in this case reinforced by our own need to provide the maximum quantity of exports in order to pay for much needed imports.

We must obtain for our industries the best possible capital equipment. In the manufacturing, primary, and construction industries increased horse-power through mechanization brings increased production. The Government is making provision to supplement this need for machinery by the development of hydro-electric resources, and a high priority is accorded to industrial equipment in the allocation of import licences.

Conclusion

It may fairly be concluded that throughout the post-war period New Zealand has been successful in her policy of full employment. In peacetime, as in wartime, there is no reason why any one able and willing to perform useful work need stand idle. Through