

Pacific area, for the maximum contribution possible to the defence of the British Commonwealth, and the provision of Forces in certain circumstances for the purposes of the United Nations. In the meantime, we are proceeding with the realization of our plans which call, in particular, for close consultation with the United Kingdom and Australia and other like-minded States which share with us a common concern for the security of the Pacific and the world.

The estimate of expenditure for the three services on defence for the current year is £10,696,376 compared with £8,986,611 for 1948-49.

Stabilization

The payment of subsidies to hold the prices of essential goods and services has been continued as part of the stabilization programme. Expenditure for the 1948-49 financial year was £11,663,710. The estimated expenditure this year is £13,934,000. The major increases in subsidy expenditure have been incurred in respect of butter and milk for local consumption consequent on recent increases in the guaranteed prices paid to producers.

Provision has also been made in the estimates to meet half of the cost of the subsidy on certain imported fertilizers: the other half will be recoverable from the farm industry stabilization accounts in terms of a special agreement with the industries concerned. The balances in those stabilization accounts continue to accumulate as a reserve held on behalf of the industries. The most recent available details of the position of these accounts are as follows:—

Dairy Industry Stabilization Account balance as at 31st July, 1949, £15,400,000, of which £12,200,000 was invested.

Meat Pool and Meat Industry Stabilization Account estimated balance as at 30th September, 1949, £29,000,000, of which £27,000,000 is invested.

The position of these funds will be improved by the recent 7½ per cent. increase in prices for the 1949-50 season under the long-term contracts negotiated with the United Kingdom.

Immigration

The Government will continue the existing policy of assisting suitable persons to migrate to New Zealand, and for this purpose the s.s. "Atlantis" will be operated on behalf of the Government. It is anticipated that the ship will make three voyages during 1949, and will bring approximately 2,400 assisted immigrants to New Zealand. Accommodation for assisted immigrants on other vessels will probably be very limited. Under the Child Migration Scheme 140 children are expected to arrive this year, while, by arrangement with the International Refugee Organization, 932 displaced persons recently arrived in Wellington.