

any savings in expenditure are more than offset by the loss of revenue through the lessened demand for commodities and services. The action of the Government in restoring salaries and wages to their former level has been amply justified by results. The revenue from wages tax during the past year indicates that in salaries and wages alone an increase of £12,000,000 has taken place. It is impossible to estimate the ultimate effect of this addition on the national income, but it is obvious that a very large measure of the general improvement in conditions within the Dominion is attributable to this section of the Government's policy.

Increased cost of social services arises mainly in respect of increased pensions and the extension of hospital and dental clinic facilities. The previous rates of pensions were insufficient to enable a reasonable standard of living to be maintained. In addition to improving the actual pension rates, the qualifying conditions were made less restrictive. Few would deny this measure of assistance and comfort to our old-age pensioners, widows, invalids, and those suffering from war disabilities, who are now unable adequately to provide for themselves. Administrative procedure has revealed one or two anomalies in the legislation dealing with invalidity pensions and steps will be taken during the present session to remove them. They are associated with the country in which the invalidity originated and the period of absence allowable overseas. **Social services.**

The expenditure shows an increase for dental hygiene. This arises from the fact that substantial additions to the number of trainees were necessary to enable the arrears of work to be overtaken. This form of State service has proved so popular and so beneficial to the rising generation that increased staff became an absolute necessity if the service were to cover adequately the children in our schools. It is by attacking the problem of defective teeth in the early stages that the best results are obtainable, and already the benefits of this service have become apparent in the improved teeth of the school-children.

It is opportune at this stage to refer briefly to the implementing during the year of the Government's policy in regard to broadcasting. As honourable members are aware, the Broadcasting Board has been abolished and the service brought under the direct control of the Minister of Broadcasting. **National Broadcasting Service.**

On suitable occasions the proceedings of Parliament are broadcast, arousing widespread interest amongst listeners. The object of this service is to awaken in the public mind a sense of responsibility in the government of the country by enabling them to become more familiar with the conduct of Parliament. The experiment has been most successful.

A new high-powered national station has now been established at Titahi Bay, and is adequately fulfilling a long-felt want.

In order to secure improved coverage for the difficult districts of Southland and Hawke's Bay a new station is being provided for each of these areas. In addition, consideration is being given to improving the service for listeners in outlying districts.

Arrangements have also been made for the erection of a new broadcasting building in Wellington. In addition to providing studios for all the Wellington stations, the new building will include a conservatorium of music and the spoken arts.

The National Broadcasting Service will shortly publish a monthly journal containing programmes and other information of interest to listeners.

An important step taken during the year was the establishment of a commercial broadcasting service. The first commercial station was acquired by purchase in Auckland last October, and in view of its immediate popularity a similar station was established in Wellington in April last. The experiment having proved so successful, the opening of stations in Christchurch and Dunedin is now being proceeded with. **Commercial Broadcasting.**

When the present Government first took office there were twenty-two private or "B" class broadcasting-stations in the Dominion, many of them finding it extremely difficult to maintain an adequate service owing to lack of finance. The improvement effected by the Government to the National Broadcasting Service, together with the decision to establish at least four commercial stations in the main centres, and other non-commercial stations in districts which are at present **Private stations.**