

A further subject which received close consideration at the Imperial Conference was Defence, and my Prime Minister warmly appreciates and acknowledges the value of the information that was placed at his disposal at that time, and the advice and assistance that, in response to every request, was so freely and generously made available by His Majesty's Government in the United Kingdom.

The necessary steps have been taken for the more efficient co-ordination and administration of all branches of the Defence services of the Dominion, and legislative measures to that end will be placed before you during this session.

New Zealand was represented at the recent International Labour Conference by my Minister of Labour, who also took the opportunity of his visit to study industrial legislation and conditions in Europe and America. It is the intention of my Government to lay before you proposals for the ratification of a number of Conventions already adopted by the International Labour Conference.

The substantial material progress which this Dominion has made since I last addressed you is most encouraging. The value of the exports for the season ended 30th June last reached the highest figure ever recorded, and the internal trade of the Dominion has also been very buoyant, largely due, in the opinion of my Advisers, to the increased purchasing-power in the hands of the consuming public brought about by my Government's legislation to raise standards of living.

The satisfactory prices obtained for our products overseas, the reduction in local unemployment, and the general increase in national income stand out in striking and welcome relief after the unhappy years of depression. All sections of the community have enjoyed a much greater degree of prosperity, and my Ministers are confident that these happy conditions will be maintained and improved.

While the number of persons unemployed has shown a very substantial reduction, the problem of promoting employment and relieving distress—one of the major questions that has faced all countries since the depression—nevertheless continues to receive the closest attention of my Ministers. A properly planned and vigorous public-works policy, including river-protection works, and embracing every class of national work necessary for the development and prosperity of the Dominion, was commenced without delay. Considerably more men have been given full-time employment on public works and in secondary industries than in any previous year. It is proposed to provide facilities for the training of youths and men, including farm workers, by introducing courses of vocational instruction.

During the recess my Advisers have initiated inquiries into the fruit and vegetable industry, the fishing industry, and the tobacco industry, and the necessary measures are being taken for the knowledge so obtained to be applied in the best interests of the community.

The facilities provided by the Primary Products Marketing Department have been extended by the organization of the internal marketing of primary products.

When my Government assumed office there was a marked shortage of houses, and the problem of housing the people of the Dominion has occasioned my Advisers much concern. To meet this urgent need a Department of Housing Construction has been established under the control of a Parliamentary Under-Secretary. The first contracts for State houses were signed in March of this year; good progress has since been made, and the work is being rapidly accelerated.

My Government have attached great importance to the co-ordination of transport services and also to the principle of safety on the roads. A considerable reduction in fatalities has already been achieved as a result of the measures they have taken, and it is their intention to propose legislative amendments to further this object.