

And the Fund must be guided in all its decisions by the purposes set forth above.

The Bank has purposes similar to those of the Fund except that its provisions are so arranged as to enable the funds that are necessary for reconstruction and development to be made available to the countries where the need is greatest at the lowest possible cost, while ensuring that investors in international projects will have the maximum security for the repayment of the funds that they are investing. It is not my purpose at this time to give any further details of the provisions of the International Monetary Fund or the Bank for Reconstruction and Development. The Government propose to examine the reports submitted from the Conference and to provide for a full discussion in Parliament on the subjects mentioned before any decision is made. It is of importance to note that forty-four countries were represented, including the United States, the United Kingdom, China, India, France, and the Soviet Union. There were twenty-one days of debate, and the resulting proposals that will be considered later probably are more important from the point of view of the trade and production of the post-war period than any other single Conference held inside history.

Currency and banking problems will undoubtedly take a prominent place in post-war international collaboration, and it is in our interests that we in New Zealand ensure that our currency and overseas exchange position is maintained in a healthy condition. To this end the Government's stabilization plan has already been most effective and compares more than favourably with that of others of the United Nations, as is evidenced by the very moderate increases in our wartime prices index since the outbreak of war. **Stabilization**

The policy of economic stabilization, announced by the Prime Minister on 15th December, 1942, has been maintained. That policy has achieved significant success in holding in check the inflationary tendencies resulting from the pressure of growing spending-power on the diminishing volume of available consumer goods.

The prices of goods essential to a reasonable wartime standard of living have remained under firm control, as is shown by the very slight movement recorded by the wartime prices index, to which I have referred.

While holding the cost of living to the moderate increases over pre-war levels which had occurred prior to the introduction of the stabilization regulations, the plan has proved sufficiently flexible to permit adjustment of anomalies. Such adjustments have included steps taken to meet the problems of farmers, and also the provision of means to give relief to lower-paid workers.

Stabilization has protected the people of New Zealand, and its continued success will place this Dominion in a favourable position to meet the problems of post-war readjustment. Yet there is no cause for complacency, or for any section of the community to believe that inflation is no longer a danger. The conditions fostering inflation exist as actively as ever, and their pressure, rather than diminishing, is increasing. Hand in hand with stabilization in the battle against inflation must be the expansion to maximum capacity of all forms of production in New Zealand.

Stabilization and production are our joint weapons against inflation. The continued effectiveness of this policy depends on the active and unselfish support of all the people.

The Government recognize the difficulties which are now being experienced by the people in connection with supplies, particularly of clothing and footwear—a condition exclusively due to the demands of the war. Attention has been given to this problem and measures have been decided upon which should result in an early and substantial improvement.

The future of New Zealand as the future of other countries is dependent upon the maintenance of family life and an assurance of the maximum safeguards for the home and the family. This has always been a foundation principle of the present Government, and in accord with this principle and the policy submitted to the electors last year the Government are working out detailed proposals for the amendment and improvement of social security with a view to providing a guaranteed minimum family income. The necessary legislation will be introduced during the next session of Parliament. **Family benefits**

In the meantime it is proposed to increase the allowable income in relation to family benefits up to £5 10s. from the present ruling rate of £5 5s., and at the same time to increase the benefit to 10s. per week for each child in lieu of the