

equipment. The exports for the year ended 30th June, 1946, is an all-time record. They amounted in value to £90,674,000.

The figures do not include reverse lend-lease exports which in the same period amounted to £5,271,000.

Imports during the same period, including lend-lease items, totalled £62,647,000, of which £45,072,000 were non-Government imports and £3,347,000 lend-lease.

Import licenses issued in 1945 and which have not yet been exercised, together with licenses issued in 1946 amount to £93,839,883. In addition to this sum, a further £9,263,188 of licenses have already been issued for the 1947 period. This makes a total of licenses issued for these periods of £103,103,071.

Most of our exports go to the United Kingdom, and in view of the present food position in that country—worse in some respects than during the dark days of the war—it is of the utmost importance that we supply every possible pound of food to relieve the hardships of the people there. This can be attained both by producing to the limit of our ability and by assisting in the nation-wide Food for Britain Campaign, which is sponsored by the Government.

Under contracts made in 1944 the United Kingdom Ministry of Food agreed to buy our exportable surplus of dairy-produce and meat for a period of four years. At that time prices were fixed for the first two years of the contracts. During my recent visit to London the prices to be paid for the third year covering the 1946–47 season were discussed with the United Kingdom Ministers and officials, and it was agreed that the price for butter would be 175s. sterling a hundredweight and for cheese 102s. 6d. sterling per hundredweight. For meat it has been agreed that prices will be  $7\frac{1}{2}$  per cent. above those ruling during the first two years of the contract, and for pig-meat  $11\frac{1}{4}$  per cent. above the prices prevailing last year.

Furthermore, it was agreed that the period of the contracts would be extended to 1950, the prices to be paid to be agreed upon annually. This two years' extension of the contracts will give added security to our farmers and afford them an assured basis for expanding their production to the utmost for the benefit of themselves and of the people of the United Kingdom.

In accordance with existing arrangements the increase in prices as received in New Zealand will be credited to industry stabilization accounts, and the amounts to be paid to farmers in the meantime will continue to be governed by production costs on the farm and in the factory. The lump-sum payments of £4,000,000 sterling per annum will continue, in terms of the arrangements made in 1944, to be paid until 1948.

As a result of New Zealand's favourable overseas trading position in recent years, and in spite of the substantial repayments