

1947
NEW ZEALAND

FINANCIAL STATEMENT

(In Committee of Supply, 21st August, 1947)

By the Right Hon. Walter Nash, Minister of Finance

MR. CHAIRMAN,—

It is now two years since the military power of Germany and Japan was broken and hostilities ceased. Demobilization of our Armed Forces was completed quickly and successfully, and considerable progress has been made in rehabilitating our men and women in civilian life. We are still faced, however, not only with serious shortages in housing, equipment, and certain commodities, but with many other problems arising out of the wholesale diversion of manpower and productive capacity to war, in this and other countries, for a period of six years. We have many difficulties still to overcome, but in comparison with the problems facing many other countries we are fortunate indeed.

The whole world to-day is struggling with a maze of complex and baffling problems of vital importance to the standard of living and the general welfare and security of untold millions of people, all arising out of the colossal devastation, the vast accumulated loss of production for peacetime purposes, and the chaotic disorganization resulting from the war.

We watch with special interest and sympathy the struggles of our Mother-country, Great Britain, to repair the ravages of war, to reconvert her industries to peacetime production, and to rebuild and expand an international trade large enough to obtain the food and raw materials necessary to enable the standard of living of her long-suffering people to be restored at least to its former level. High prices for her imports and a set-back in production arising from a severe winter and a fuel shortage have involved drawing upon the United States and Canadian special loans at a much faster pace than was anticipated. It is now clear that these loans, granted to give Great Britain time to adjust her economy and her large overseas