



THE
NEW ZEALAND GAZETTE
 EXTRAORDINARY.

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THE Second Session of the Twenty-sixth Parliament of New Zealand was this day opened by the Governor-General, when His Excellency was pleased to make the following statement of the causes of the calling of this Session of Parliament together:—

HONOURABLE GENTLEMEN OF THE LEGISLATIVE COUNCIL AND MEMBERS OF THE HOUSE OF REPRESENTATIVES:—

Since I last had the privilege of addressing you the Dominion has suffered an irreparable loss in the death of the late Prime Minister, the Right Honourable Michael Joseph Savage, whose outstanding qualities of broad judgment, tolerant understanding, and love of humanity had endeared him to all. The affection and esteem in which he was held, in New Zealand and elsewhere, were indicated in full measure by the universal expressions of sorrow on his passing. The late Prime Minister's high sense of justice and morality were fully exemplified in his outspoken detestation of international injustice and aggression and his whole-hearted support of the determination of the British Commonwealth and its Allies that aggression must be resisted.

The exigencies of the international situation, and the critical stage that has been reached in the conduct of hostilities with Germany, have rendered it desirable, in the opinion of my Advisers, to assemble Parliament at a date earlier than was otherwise contemplated. My Ministers have considered it proper, in present circumstances, that Parliament should be convoked with the minimum of delay, in order that my Government may lay before the representatives of the people an account of the steps that they have found it necessary to take, and in order to afford the fullest opportunity for consideration and discussion of the further measures that may now be deemed requisite.

My Ministers have spared no effort to give effect to the undertaking made by them on the outbreak of war that this Dominion would co-operate in the common cause to the full extent of its resources, and as soon as the necessary precautionary steps had been taken to provide for the defence of New Zealand against possible raids or attacks, my Ministers initiated the appropriate preparations to enable this Dominion to play its full part overseas.

The two cruisers of the New Zealand Naval Forces were at once placed under the operational control of the British Admiralty, and the gallant conduct in the Battle of the Plate of H.M.S. "Achilles," manned largely by New-Zealanders, has been a source of justifiable pride to us all.

Preparations were forthwith made to expand, with the utmost rapidity, the organization of the Royal New Zealand Air Force, and seven new training establishments have now been provided. My Government were represented towards the end of last year at the Conference in Canada which led to the adoption of a Commonwealth Air-training Scheme of immense proportions. In this scheme New Zealand is taking its full share, and it is contemplated that when the proposed arrangements are completely in operation this Dominion will be able to supply personnel for the Royal Air Force at the rate of some three thousand annually. The magnitude of this undertaking is sufficiently indicated by the financial commitment involved, approximately £22,000,000 spread over a period of three years. Quite apart from this scheme, and from the expansion of the Royal New Zealand Air Force, there are, in addition, over six hundred New-Zealanders now serving in the Royal Air Force, some of whom have already achieved distinction.

As one of their first steps, my Ministers decided to offer a Division of all arms, with ancillary troops, for service overseas, and proceeded as speedily as possible to make the necessary arrangements for the accommodation and instruction of the large numbers of men involved. Training has proceeded rapidly and efficiently, and it is a matter of particular gratification to my Government that it has been possible to comply with the request of the Maori people for the establishment of a special battalion composed of members of their own race. The Dominion has been fortunate in obtaining the services of that distinguished soldier, Major-General B. C. Freyberg, V.C., C.B., C.M.G., D.S.O., LL.D., to command the forces in the field, and my Advisers are confident that under his leadership the New Zealand Division can be relied upon to maintain the great traditions of the New Zealand Expeditionary Force of 1914-18.

My Ministers decided to raise all forces on a voluntary basis, and the response has been most creditable. For the Army alone, 41,600 men have enlisted for service overseas, and when account is taken of enlistments for the Air Force and for the Navy more than 53,000 individual and voluntary offers of service abroad have been received, of which more than 32,000 have up to the present been accepted. Indeed, the response to my Government's call for volunteers has enabled them, to their great satisfaction, to comply with suggestions made by His Majesty's Government in the United Kingdom that further subsidiary units in addition to the Division should be formed.

Proper co-ordination in New Zealand of the measures necessary to render the best possible help towards the joint Commonwealth effort was materially assisted by the visit of my Prime Minister (then Deputy Prime Minister) to London in October of last year, where he was afforded most generous and valuable opportunities of obtaining at first hand all necessary information and advice.

The assistance that this Dominion can render is not confined to the provision of men for the fighting services. A very important function of a country such as this is the supply of foodstuffs and raw materials, and my Ministers have accordingly arranged for the purchase of all the meat,

butter, cheese, wool, and other primary products of the Dominion, all of which have been placed at the disposal of His Majesty's Government in the United Kingdom. The arrangements thus made are capable of considerable expansion as circumstances may require. My Ministers, with this object in view, have taken steps to encourage production to the fullest extent, and, in order to meet the situation created by the withdrawal of men to the fighting services from commerce, industry, and agriculture, they have arranged for the preparation of a National Register of Man-power, and have established District Councils with the object of ensuring an adequate supply of labour for purposes of public necessity. In this connection it is recognized by my Ministers that further reductions in the number of men employed on public works are essential if necessary labour requirements are to be fully met, and steps are being taken accordingly.

My Ministers have established a substantial organization to deal with questions of supply, including the raw materials and other commodities necessary for the industries of the Dominion, as well as many of the requirements of the armed Forces. Steps have been taken also to control the consumption of petrol, with the object of eliminating wasteful expenditure of a commodity vitally necessary in time of war, and at the same time conserving foreign exchange which is essential to facilitate the purchase of materials required for the Allied cause.

I am happy to say that the provisions made by my Government for controlling the collection and expenditure of public contributions for the purpose of providing comforts, amenities, and relief for the members of the armed Forces have proved effective, and the organizations established for this purpose are performing a most useful function in ensuring the efficient and economic administration of the large sums so generously subscribed by the public.

Notwithstanding the outbreak of the war, the one-hundredth anniversary of organized settlement and government in New Zealand was celebrated with enthusiasm throughout the Dominion. The National Centennial Celebrations at Waitangi and Akaroa were successful in a marked degree not only as historical and commemorative functions, but as a means of cementing the national spirit so vital to the country at the present time and of strengthening the determination of our people to defend and safeguard their inheritance.

MR. SPEAKER, AND MEMBERS OF THE HOUSE OF REPRESENTATIVES:—

Exports for the year ended 31st March, 1940, amounted in value to £59,643,000, an increase of £1,776,000 as compared with the previous year, and exceeded only in the years 1937 and 1938. Imports for the year ended 31st March, 1940, totalled £45,571,000, compared with £54,408,000 for the previous year, a decrease of £8,837,000. This substantial decrease is attributable, firstly, to my Government's import selection policy—a policy designed to ensure that the Dominion's overseas funds are utilized according to the relative importance of the demands for goods and services—and secondly, to the physical difficulty of obtaining imports, which is the result of war conditions. In giving effect to the policy of import selection, preference is given, where possible, firstly, to goods of United Kingdom origin; secondly, to goods from other parts of the British Commonwealth; and, thirdly, to goods from other countries within the sterling area.

The public accounts, which reflect very intimately the economic conditions within the Dominion, closed with a surplus of £319,000, full details of which will be given to honourable members during the present session of Parliament. This surplus was achieved, notwithstanding the extra expenditure incurred as a result of the introduction of Social Security benefits.

In accordance with legislation passed during last session, a War Expenses Account has been established, to which is credited the special war taxation that has been imposed, and against which are charged the various costs and expenses resulting from the war. It is satisfactory to record that a substantial amount has also been received into the account from the public in the form of donations or loans free of interest, and these will be of material assistance to the Dominion's war effort.

Further measures will be submitted to honourable members with a view to meeting the abnormal expenditure consequent upon the war.

HONOURABLE GENTLEMEN OF THE LEGISLATIVE COUNCIL AND MEMBERS OF THE HOUSE OF REPRESENTATIVES:—

The war, which for a lengthy period was comparatively passive, has within the last few weeks taken a most active and, indeed, critical form. The full fury of the attack on freedom, democracy, and international order and justice, which has been in preparation by Nazi Germany for so many years, has now been directed, firstly, against peaceful neutral Powers—Norway, Denmark, Belgium, and the Netherlands—who had given no provocation whatever for the violent and treacherous attack that was made upon them, and then upon the French and British armies, fighting in France and the Low Countries. As had always been expected, this long-prepared assault has proved to be a weighty one.

An entirely new situation has arisen. My Ministers have already made arrangements to increase, by concentrated training, the efficiency of the Territorial Force as rapidly as possible, and have also made provision for the arming and equipping of those members of Class II of the National Reserve who, as returned soldiers, had long-since proved their courage and patriotism and who had so enthusiastically responded last year to the call made by my Government for their enrolment in a special force for local defence.

My Advisers are confident that they are acting in consonance with the wishes of all the people of this Dominion—Maori and Pakeha alike—when they take this opportunity to reaffirm their unaltered, and unalterable, determination to afford to the common cause every possible assistance within the power of this Dominion, and to prosecute this struggle against the rule of force and evil until the final victory, of which they are entirely confident, is attained.

It is for this reason that my Ministers propose to lay before you during this session a measure, on the lines of that adopted in the United Kingdom, placing at the disposal of the State, for the duration of the war, all the resources of the Dominion in persons and in property.

The successful prosecution of the war must, in existing circumstances, be their single aim, and they propose to invite the co-operation of representatives of the Opposition Party in Parliament, of primary and secondary production, and of labour, in order that every section of the community may have representation in the conduct of the Dominion's war effort. My Advisers trust that in this way, by bringing into a common pool for one sole object—the attainment of victory—all the resources, all the knowledge and all the power of the community, they will be taking the most effective measures in their power to obtain the maximum of efficiency and co-operation and to hasten the end of this conflict into which we have been forced in defence of all we honour and hold dear.

At this testing hour of trial I pray God to watch over your deliberations and to guide them in wisdom and justice.

By Authority: E. V. PAUL, Government Printer, Wellington.