



THE NEW ZEALAND GAZETTE EXTRAORDINARY

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THE Second Session of the Thirty-third 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 MEMBERS OF THE HOUSE OF REPRESENTATIVES:

My wife has asked me to express to the Prime Minister, Mr Speaker, and honourable members her sincere regret that, acting on medical advice, she has found herself unable to accompany me to this opening of the new session. She was particularly anxious to be here this afternoon, since this is the last occasion on which I shall have the privilege of addressing you in Parliament assembled. My wife and I sincerely appreciate the great warmth and kindness shown to us, and to our family, in all parts of New Zealand and also in the Island Territories and Western Samoa. We shall always love the country which has been our home for nearly five years and we shall maintain throughout our lives the deepest interest in the well-being of New Zealand and of its people of both races.

The gathering sense of climax in several fields of international activity has been the subject of constant concern to my Ministers. In particular, they have devoted the closest attention to the course of negotiations between the United Kingdom and the European Economic Community. In its approach to this question my Government attaches full importance to assurances it has received that arrangements will be made to protect this country's vital interests and that Britain will not enter the Community should this impair essential Commonwealth interests. Every possible step is being taken to preserve New Zealand's right of access to its markets. To this end my Minister of Overseas Trade has twice visited London and European capitals, and in September my Prime Minister will attend a meeting of Commonwealth Prime Ministers to consider the United Kingdom's proposed membership of the Common Market.

Within South-East Asia, threats to the stability of some countries have continued and have served to emphasise the great significance of New Zealand's membership of the defensive alliances of ANZUS and SEATO. My Prime Minister attended a meeting of the ANZUS Council in Canberra last month.

In Laos, the protracted failure to reach a political settlement under which, within a framework of neutrality, the Laotian people may work out their own destiny has greatly concerned my Government. In view of the threat to the security of Thailand, and at the invitation of the Thai Government, New Zealand has joined her SEATO Allies in the dispatch there of armed forces.

The dispute over West New Guinea, between two countries towards which New Zealand is friendly, has reached a critical stage. My Ministers earnestly hope for a peaceful settlement which will take account of the legitimate interests of the territory's inhabitants.

The United Nations sustained tragic loss in the death of its devoted Secretary-General, Mr Hammarskjöld. New Zealand has fulfilled all its responsibilities to the Organisation and has subscribed one million dollars to the United Nations bond issue.

My Government regrets the absence of positive progress in the Geneva Disarmament Conference. As a first step it considers an effective international agreement banning nuclear tests to be essential.

My Ministers favour a negotiated settlement of the Berlin situation which would safeguard the freedom of the people of West Berlin and secure Allied rights of access to the city.

HMNZS *Taranaki*, which arrived in New Zealand in October, is now serving on the Far East Station. The Long-range Transport Squadron of the Royal New Zealand Air Force provided the airlift between New Zealand and Singapore when the First Battalion of the New Zealand Regiment relieved the Second Battalion in Malaya. The first intake of National Servicemen last month marked the initial step in the build-up of the Territorial Force to its full strength of 10,000 men over the next three years.

In the field of the national economy, progress has been made in restoring balance, despite the persistence of unfavourable prices for exports which, for two years in succession, resulted in a reduction in New Zealand's export income. As a consequence of policies of restraint which have operated over a wide field, the pressure of excess demand has abated. There has also been a significant reduction in the level of imports and a welcome rise in the reserves of foreign exchange during the first half of this year.

To cushion the impact of the fall in export income, two overseas loans were raised in 1961 and another in May this year. While recognising the longer term need to adjust overseas spending to the level of overseas earnings my Ministers are determined to avoid, where possible, abrupt restrictive action which would react sharply and with damaging effect on all sections of the community.

In both farming and manufacturing, production has been at high levels and full employment has been well maintained. Within the policy of providing foreign exchange for the import of all essential goods, priority will continue to be given to equipment and raw materials for the primary and secondary industries. The extension of the no-remittance import licence scheme to commercial imports for the 1962-63 licensing period will provide more goods and at the same time increase overseas exchange reserves.

The public accounts for the past year resulted in a small surplus after taking into account the proceeds of external borrowing and providing for payment of New Zealand's subscriptions to the International Monetary Fund and World Bank. Estimates of expenditure for the current year will be submitted to you as soon as possible.

The report of the Committee on Simplification of the Public Accounts will receive the close attention of my Ministers as soon as it is available.

As a developing country, New Zealand has a continuing need for capital, to which a planned programme of external borrowing can make a valuable contribution. Membership of the World Bank has provided an important additional source of long-term capital while the readiness of the International Monetary Fund to make short-term advances is of special value to a country subject to sharp fluctuations in export income.

In their approach to problems of economic policy, my Ministers accord high priority to the objective of stimulating and achieving a faster rate of economic growth. Competitive private enterprise will be supported and encouraged. Any undue development of monopolistic trends within industry or commerce will be closely watched. A review of price control will continue with the objective of further relaxation where this would not react adversely on living costs.

The Tariff and Development Board, established in terms of legislation passed last year, will direct its attention to the promotion of industry and will maintain a continuing survey of tariff and import licensing problems.

The discovery in Taranaki of natural gas, on present indications in very substantial quantities, is an event of major importance to the nation. When developed, this asset is likely to bring about a profound change in the pattern of fuel and power resources. You will accordingly be asked to consider a measure to establish a Ministry of Fuel and Power and a Fuel and Power Council to ensure the coordinated development of these resources, as well as legislation on the laying of pipelines and other matters related to the most economic use of natural gas.

Another Bill will deal with the problem of securing continuity of policy in electrical planning and development, and a greater degree of uniformity in the terms and conditions under which electricity is distributed.

High priority and much energy is being given to expanding export trade. The visits of my Minister of Overseas Trade to Europe and to Asia have enabled a closer assessment of the problems and prospects.

A Trade Promotion Council has been set up, consisting of men of standing and experience in the field of overseas trade. An import replacement scheme with bonus licences will be introduced where imported raw materials are incorporated in export products. Trade surveys and missions, and participation in trade fairs, are being undertaken to a greater extent than ever before. My Ministers are pleased to see widespread interest in and practical support for the export drive which is now gaining momentum.

With competition so keen in the world's food markets, New Zealand must meet the demands and the standards of buyers. Ways are being examined of providing better control of meat export slaughter and packing houses, and also of improving the law governing the killing of stock for local consumption. Increased funds have been provided for research into new farm products and the maintenance of the quality of primary produce.

Good progress has been made in implementing my Government's land-settlement policy. Two-thirds of the farms developed and offered during the past year were taken up by civilians, mainly young men with farming experience.

Legislation will be introduced to authorise farm forestry loans, to the value of £750,000 over a five-year-period, in support of my Government's objective that an extra million acres of trees should be planted by the end of the century.

Last year the tourist industry earned over £4 million in overseas exchange. Further steps will be taken this year to increase these earnings.

My Ministers will give close consideration to the recommendations of the Select Committee on the fishing industry with the aim of assisting the industry to make full use of the natural resources in the waters adjacent to New Zealand.

The recommendations of the Committee of Inquiry into the sale of apples and pears on the local market are being examined with a view to the introduction of legislation for your consideration.

In recognition of the increasing importance of the application of research in the primary and secondary industries, the Royal Commission on the State Services has been asked to give special consideration to the organisation of the nation's scientific services.

Some controls which were inhibiting the economic development of the transport industry have already been relaxed and further ways of promoting freer competition will be investigated. The modernisation of railway rolling stock is being pressed forward; a substantial proportion of the new equipment is being built in New Zealand.

Every effort will continue to be made to raise the standards of safety on New Zealand roads. A consolidation and revision of the Transport Act will be introduced.

Construction of the international airport at Mangere, Auckland, is well advanced and the airport at Momona, Dunedin, has been opened. My Government will provide for the further development of Tasman Empire Airways by negotiating for additional traffic rights in overseas countries.

The first section, between Australia and New Zealand, of the trans-Pacific telephone cable being constructed by Australia, Britain, Canada, and New Zealand will shortly be opened and the New Zealand-Canada section is scheduled for completion by the end of 1963. A further cable, to link with Commonwealth countries in South-East Asia, should be in use by 1966.

Last year I had the pleasure of visiting the Cook Islands, where once again my wife and I were received with the utmost kindness and hospitality. It was also my privilege to pay the last official visit of a Governor-General to the Trust Territory of Western Samoa.

On 1 January this year the Territory attained its independence, thus bringing to fulfilment the cooperation of the Samoan people, New Zealand, and the United Nations. My Government will work closely with the new State and, on a basis of friendship, will provide assistance in administration and international affairs.

Increased local responsibility has been granted to the Cook Islands and Niue. In future their respective Assemblies will take full responsibility for the appropriation of their annual subsidies and of their own revenues. You will be asked to consider an amendment to the Cook Islands Act.

A Bill will be submitted to you, on the lines of that introduced last year, providing for a Parliamentary Commissioner to investigate grievances of the private citizen against administrative decisions. A Bill of Rights will also be introduced.

The amount of crime, particularly by young offenders, continues to be a source of deep concern and my Government is determined to take all possible measures to protect the community. A detention centre has been opened and an accelerated building programme inaugurated to provide for offenders sentenced to detention. The expansion of child welfare services will continue in an endeavour to combat the causes of juvenile delinquency at the earliest possible age. You will be asked to consider legislation enabling young offenders to be detained for periods outside normal working hours during which they will be required to do useful work in the community.

A measure will be introduced to consolidate and rewrite the statutes governing the sale of intoxicating liquor with the aim of removing anomalies, making the law more easily ascertainable and bringing it more into line with the wishes of the people.

You will also be asked to consider a Bill completely revising the vagrancy law and amendments to the legislation relating to copyright, indecent publications, matrimonial proceedings, and the liability of occupiers for injury sustained by visitors to their premises.

My Ministers will give immediate attention to the comprehensive report and recommendations of the Commission on Education, which will shortly be published and will serve to emphasise again the importance of education as an essential investment in the future well-being of the nation. Consultations will be held with the local controlling authorities, teachers' organisations, and other interested groups.

Following my Government's decision to establish a Department of Veterinary Science at Massey College, a Bill will be presented to establish a University College in the Manawatu to combine the activities of the Palmerston North branch of the Victoria University of Wellington and Massey College.

My Government affirms the vital importance to the whole community of ensuring that present and future Maori citizens shall be equipped to make their full contribution to the economic and social life of New Zealand. Special attention is therefore being directed to their needs, particularly by way of increased housing and improved education.

The Maori Education Foundation has already assisted young Maoris who can benefit from higher education but are unable to avail themselves of it with the resources normally available. The generous public support to the appeal for funds for the Foundation justifies the hope that much more will be done in future years.

The Maori Council of Tribal Executives, which will facilitate exchanges of information and opinion between the Government and the Maori people, has been set up and should prove of great value in all matters of Maori policy. You will be asked to consider a Bill to consolidate and revise the Maori Social and Economic Advancement Act and proposals to eliminate some of the present legislative distinctions between Maori and non-Maori citizens.

In every city and town the waiting time for homes has been greatly reduced. It is my Government's policy to ensure that all citizens are adequately housed and to this end generous loan facilities and the family benefit capitalisation scheme will be continued. The State rental construction programme, adjusted last year in the light of the reduced demand, will in the present year be maintained at a level to meet the more urgent cases.

My Ministers will give early consideration to the report and recommendations of the Royal Commission on the State Services. They anticipate that a new Public Service Act will be required.

Emphasis continues to be given to industrial welfare and safety. Bills will be introduced to replace the Agricultural Workers' Act and the Shearers' Accommodation Act. You will also be asked to consider legislation to revise the Wages Protection and Contractors' Liens Act and amendments to the Workers' Compensation Act and the Industrial Conciliation and Arbitration Act.

Three Bills introduced last year, the Nature Conservation Council Bill, the Civil Defence Bill, and the Public Bodies Meetings Bill will again be presented for your consideration.

Another Bill will propose the incorporation of the Medical Council and its separation from the Department of Health. Additional legislation to be presented will include a Carriage by Air Bill and amendments to the Government Railways Act, the Carriers Act, the Public Revenues Act, the New Zealand Loans Act, the Superannuation Act, and the Stock Act.

I pray that Divine guidance may attend your deliberations on these and related matters.