The Third Session of the Thirty-fourth 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:

Just three weeks ago Her Majesty Queen Elizabeth the Queen Mother left these shores after a memorable visit. The warmth of the welcome extended everywhere to the Royal visitor demonstrated the affection in which the Queen Mother has long been held. It reflected also the people's joy that, following her recovery from the illness which had earlier caused the tour to be postponed, Her Majesty felt able to undertake such a full and varied programme.

In the year that has passed since I last addressed you, the international scene has been marked by mounting violence in South-East Asia and by dissension within the Commonwealth.

For New Zealand, the areas of most direct and grievous concern have been the war in Vietnam and Indonesia's campaign of confrontation against Malaysia. In addition to its substantial forces in Malaysia and Singapore, New Zealand is reinforcing its artillery unit in Vietnam as a practical expression of its willingness to uphold the right of small states to choose their future free of coercion and attack.

My Government is determined that New Zealand shall play an effective part in collective action to sustain security in South-East Asia. Next month, at meetings of the SEATO and ANZUS Councils in Canberra, my Prime Minister will have renewed opportunities to discuss defence matters with United States and British Ministers, as well as with the Australian Government. It is a source of satisfaction that Britain has expressed its intention to maintain a military presence in this area.

My Ministers will shortly present to you a White Paper setting out the basis of defence policy for the period until 1970. The White Paper will also record the specific measures which are being taken to develop the effectiveness of the Armed Forces.
An Army Regular Force Emergency Reserve will be established to assist, in certain circumstances, in meeting calls on Regular Army units and you will be asked to consider legislation for this purpose. A measure to lower the voting age for those in the Armed Forces who are on active service overseas will also be submitted to you.

New Zealand is expanding its social and economic assistance in Asia, the South Pacific and other under-developed areas. Aid through the Colombo Plan has been considerably increased. In Vietnam, where health needs are particularly pressing, my Government has taken steps to supplement the medical team dispatched two years ago and to extend the basis of its civil aid. As a further mark of New Zealand's sense of involvement in Asian affairs, you will be asked to consider a Bill to provide for membership of the Asian Development Bank.

My Government continues to attach special importance to the Commonwealth association. At the same time it has been deeply disappointed by acts of rebellion and a movement away from democratic government in some Commonwealth countries. It also greatly regrets recent divisions within the Commonwealth and Rhodesia's illegal declaration of independence.

New Zealand is once again a member of the Security Council and has an added responsibility in promoting the United Nations' efforts to maintain peace and security and to remove the causes of international tension.

In September last year, my wife and I had the pleasure of joining in the celebrations in Rarotonga which followed the proclamation of the new Constitution establishing the Cook Islands as a self-governing State, freely associated with New Zealand.

My Government is convinced of the need to give special attention to the South Pacific, a region within which New Zealand has substantial affinities and interests. It recognises an obligation to pay regard to the security, economic and social welfare, and the political development of the peoples of the South Pacific and to give full meaning to New Zealand's sense of partnership with them.

The Governments of the South Pacific area share with New Zealand feelings of grave concern at the intention of France to conduct nuclear weapons tests in this part of the world. New Zealand has made its opposition plain in the United Nations and in protests to the Government of France. It has responded to requests from Western Samoa and the Cook Islands that their protests should also be conveyed to the French Government.

In the field of the national economy, New Zealand has continued to enjoy prosperous conditions. Export earnings have been satisfactory despite a fall in the price of butter in the British market.

My Ministers have been active in developing both old and new trading relationships. The limited free trade agreement with Australia, which came into operation on 1 January 1966, provides new export opportunities for the products of New Zealand's farms and factories and especially of its forests. Discussions have been initiated with the British Government about New Zealand's future trading relations with Britain and, in particular, the continuation of rights of access to the British market for meat and dairy produce.

Active steps are being taken to obtain safeguards for New Zealand's substantial trading interests if Britain should decide to enter the European Economic Community. My Minister of Overseas Trade will shortly have talks in the capitals of the Common Market countries, as well as in London and Washington. To ensure that New Zealand's special position will continue to be made known in the countries of Europe, New Zealand's diplomatic representation is being strengthened by the establishment of Embassies in Bonn and Rome.
The diversification of export markets and products is being success­fully pursued and this policy will continue to be vigorously promoted. A market diversion scheme for meat is being worked out by the Meat Producers' Board and meat exporters in consultation with the Government. At the appropriate time legislation will be introduced to facilitate the operation of this scheme.

The rate of agricultural development within New Zealand gives cause for satisfaction. High farming investment has been accompanied by record increases in livestock numbers. The programme of expansion drawn up by the Agricultural Development Conference is in operation and in the past year the targets set by the conference have been substantially exceeded.

The build-up of capital stock on the farms has involved some withholding of meat from overseas markets and, as a consequence, the earning of overseas funds has been lower than would otherwise have been the case. My Government believes, however, that the higher overseas income which will result in succeeding years makes this a sound investment for New Zealand.

Measures are being taken to provide new animal quarantine stations and to develop national schemes for the control of dangerous animal diseases. The funds available for scientific research in agriculture and forestry, as in other fields, have been substantially increased.

In the past two years, the State Advances Corporation has provided record sums in loans to farmers, both for the purchase of new properties and for farm development. The finance made available through the Marginal Lands Board has doubled in the same period.

My Government will continue to develop land in regions offering opportunities for increased production and new settlement, in particular in the Rotorua-Taupo and Gisborne - East Coast areas, in Northland, on the West Coast of the South Island, and in Southland.

You will be asked to consider an Animals Bill to consolidate and modify the provisions of the Stock Act and its amendments, an Animal Remedies Bill, and an amendment to the Stock Foods Act. There will also be a Poultry Bill, a Wool Industry Amendment Bill, and an Agricultural Pests Destruction Bill.

In the manufacturing sector, investment has been at record levels, with a consequent heavy demand for imported equipment and materials. The building and construction industry has been operating at full capacity.

The effects of this high rate of investment, together with rising consumer spending, have been felt in labour shortages and an increased demand for imports.

It is the aim of my Advisers to moderate the pace of expansion of the economy in order to ensure that the nation's overseas earnings are put to the most effective use. To this end, Government expenditure has been held down wherever possible. Saving has been encouraged and restraint has been maintained on the level of credit. The Import Licensing Schedule for the coming year has been designed to take account of New Zealand's continuing development needs and of the balance of external receipts and payments.

Legislation to establish an Industrial Design Council will be submitted for your consideration. By providing an advisory service on design, the Council will assist manufacturers to enhance the quality of New Zealand goods and aid the export drive. There will also be Bills to establish an Inventions Development Authority and to reorganise the Consumer Institute as an independent body to safeguard the interests of the consumer.

A Bill to consolidate the Customs Act and its amendments will also provide for the adjustment of certain procedures in the light of present conditions and for the simplification of the Customs law in relation to coastal shipping.
Estimates of expenditure for the current year, with related financial proposals, will shortly be placed before you.

For the first time, a wholly-owned New Zealand airline has begun operations to North America and Asia. Air New Zealand’s services not only earn overseas funds but contribute, along with other Government measures, to the further growth of the tourist industry. The availability of regular air transport is also stimulating the sale of specialised export products. My Ministers have under active consideration the steps required to meet the developing needs of air communications, in the South Pacific as well as in the Chatham Islands and within New Zealand.

The measures which have been taken to foster the development of the fishing industry are already showing encouraging results. Assistance will continue to be given by means of financial and other incentives, training and research facilities, and the development of local and overseas markets.

In order to provide for the power needs of New Zealand’s factories and the consumer, it will be necessary to double the generating capacity of the electricity supply system within the next nine years. My Government is confident that, with the necessary cooperation, this demand can be met in full from hydro-electric and other sources.

A Bill providing for the creation of a national authority concerned with all aspects of water administration and soil conservation is being prepared for your consideration.

A record number of houses were completed last year, many with the assistance of loans from Government sources. The National Housing Council has been called together to recommend targets for housing construction for the next five years.

There is deep concern at the number of traffic accidents on New Zealand’s roads. Although the death toll is still one of the lowest in the world and has diminished this year, my Government attaches special importance to the work of the Select Committee appointed in 1965 to make recommendations for improved road-safety measures.

In the field of civil defence, national plans have been approved embracing the role of Government, the establishment of effective communications, the mobilisation of transport resources and the provision of essential supplies in the event of a major disaster. Further plans are being prepared in close consultation with regional and local authorities.

Discussions are being held with the interested organisations about possible amendments to the law relating to the observance of Anzac Day.

My Ministers are conscious of the fact that, as the development of New Zealand progresses, higher standards of secondary and technical education are needed to fit young people to discharge more fully their future responsibility as citizens. Additional steps will be taken in the reorganisation of secondary education in rural areas and there will also be a further study of measures to make the School Certificate examination an effective goal for more pupils.

To improve the quality of teaching in primary schools, three-year training is to be introduced at all teachers’ colleges and a start has been made this year in Hamilton and Dunedin.

You will be asked to make a number of amendments to the University Acts and to the Education Act. A Bill will be presented to re-enact the Trades Certification Act and to clarify and amend certain of its provisions.

My Ministers have decided that a Royal Commission of Inquiry should be appointed to examine the present system of workers’ compensation. It will be asked to report on possible changes in the legislation, including the introduction of a life pension scheme in substitution for the present lump-sum payments.
It is a special aim of Government policy to foster conditions in which the Maori people may take fuller advantage of the employment and educational opportunities now open to them. Plans are being made for the extension of trade-training schemes for Maori boys and the further development of city pre-employment courses for both boys and girls. My Government is continuing its programme of Maori housing and the extension of hostel accommodation in the cities. The Maori Trustee proposes to erect a large block of flats for older apprentices in Auckland.

You will be invited to make provision for a scheme of legal aid in civil cases for persons with limited financial resources. A Bill has been prepared which will ensure that all are able to secure the assistance of the Courts.

Legislation will be introduced extending the Criminal Injuries Compensation Act to cover loss or damage to property caused by prisoners escaping from penal institutions.

It is proposed to submit an Alcoholics Bill and a Bill to establish a Hospital Services Tribunal which will fix the conditions of employment of the majority of employees in public hospitals. A general revision is being undertaken of the mental health legislation.

Social Security benefits and war pensions have been substantially increased. Higher Government grants are also being made to local bodies for the construction of pensioners' housing and to church and other organisations engaged in social welfare and youth work. This assistance is now to be made available for the improvement of homes for the aged and hostels for young people as well as for other purposes. The capitation grant for children maintained in a registered children's home has also been increased.

You will be asked to consider Bills to consolidate the Child Welfare Act and to remove the legal disabilities of children born out of wedlock.

Among other measures to be submitted to you will be a Submarine Cables and Pipelines Protection Bill, a consolidation of the Rating Act, a Surveyors Bill, an amendment to the Reserves and Domains Act, a consolidation and revision of the law relating to the conduct of local elections and polls, an Airport Authorities Bill, and amendments to the Family Protection Act, the Geothermal Energy Act, and the Factories Act.

All these matters I commend to your careful consideration and I pray that Divine guidance will attend your deliberations.