



THE NEW ZEALAND GAZETTE EXTRAORDINARY

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

IN March of last year the first Session of this Thirty-Sixth Parliament was opened by Her Majesty the Queen. I am sure you will long remember that memorable occasion which vividly expressed the constitutional link between this House of Representatives and the Queen of New Zealand. The reality of the bonds of affection and loyalty between the people of New Zealand and the Royal Family were shown by the enthusiastic welcome they received wherever they travelled during their tour of this country.

Honourable Members will be aware of the reasons which have prompted my Government to convene this Session of Parliament early in the year. Although production has continued to grow at an encouraging rate, money incomes have risen more rapidly thus pushing up domestic costs and contributing to price rises. The escalation in costs and prices has very serious implications for the country as a whole. Its effect on the pastoral industries which earn most of the country's export income is particularly serious. At the same time it is eroding the competitive position of other exporters including manufacturers. It is clear that the economy cannot withstand a continuation of wage and price increases of the order experienced in 1970.

My Ministers have, during the past year, taken varied and vigorous action to bring demand into better balance with available resources. They have introduced a number of deflationary fiscal measures and