



THE NEW ZEALAND GAZETTE EXTRAORDINARY

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THE First Session of the Thirty-ninth 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

It is a privilege for me to exercise again the prerogative of Her Majesty The Queen in opening this first Session of the thirty-ninth Parliament.

My wife and I enjoy serving New Zealand in our Viceregal capacity and, in particular, appreciate very much the opportunities that the office provides for meeting so many people. They have brought home to us those aspects of community endeavour which unify us as a nation.

Today's ceremony not only evokes the unique blending of monarchy and democracy, which is our common heritage, but should inspire you—as the elected representatives of the people—to promote in this place, those spiritual values and human traditions on which the aspirations of so many men and women depend. Parliament is the Marae of the people; it is the focus of the nation.

Over the last year the Government has pursued a policy of economic stimulation. This has been possible because the policies of the previous 2 years succeeded in dampening internal demand. By late 1977 some improvement of the balance of payments and the rate of inflation was apparent while economic activity was in danger of declining excessively.

The Government therefore adopted expansionary policies from October 1977. In last year's Budget several stimulatory measures were introduced including a major restructuring of the tax scale, which increased taxpayers' disposable income, and specific measures to assist the agricultural sector. An important aim has been to increase employment opportunities. In addition the Government has made special work available and provided assistance to both local authorities and private employers to take on extra workers.

However the increase in domestic activity resulted in a growing fiscal deficit which led to a risk of rapid monetary growth and consequent inflation. To meet that risk, the Government has followed a policy of active participation in the money market. The Government intends to continue to follow an active policy designed to moderate as much as possible the fluctuations in monetary growth.

The Government, having raised the level of economic activity, considers that a less expansionary policy is now more appropriate.

At the time when free wage bargaining was introduced it was intended that the wage round would focus mainly on relativities which had over several years become severely compressed. As a result wage earners received substantial settlements and the Government now expects that settlements negotiated between employers and unions will be more moderate.

In order to reduce expenditure the Government has had to re-assess and re-arrange its own capital works programme in order to ensure that only essential needs are met. Priority has been given to those programmes which have an export potential, the capacity to help reduce the level of unemployment, and reduce the demand for imports. These policies will continue but it is not possible for the Government to compensate fully for the decline in private sector capital investment.

Stimulating export growth is recognised as a first priority if long-term unemployment is to be avoided. The Government has given a clear lead. A schedule of growth opportunities will be published. It is now over to the business community to undertake the necessary investment in export production to ensure the long-term growth which this country needs.

Following the success of last year's teams which studied European markets for horticultural products and the United States market for apparel, export opportunity teams are planned for industry groups that show the best prospects of export development.

A White Paper will be tabled detailing the outcome of the GATT Multilateral Trade Negotiations. The Government will be giving particular attention to strengthening trade relations with countries in the North Asian, Middle East, and Eastern European regions. It will strengthen its trade representations elsewhere. It is expected that the existing bilateral trade relations with Pacific Forum and ASEAN countries will be expanded.

The Customs Tariff and import licensing will continue to provide stable and assured protection. The new Customs Tariff is designed to meet today's trading conditions and protection needs, and the Government will develop further measures to provide more scope in the granting of import licences, for the adjustment of licences to take account of changes in the business sector, and for improvements in the handling of import licence applications.

Recent changes in pricing administration will give greater flexibility to producers and traders. Adequate protection for the consumer will continue to be provided.

The modernisation of commercial law will proceed. A Credit Contracts Bill and a Companies Amendment Bill will be introduced. The latter deals with corporate insolvencies and will give effect to various recommendations of the Macarthur Committee.

Agricultural products are the mainstay of the export drive. The Government is therefore committed to ensuring the profitability of farming enterprises.

The Livestock Incentive Scheme has been extended for a further 3 years to 31 March 1982, and special land development encouragement loans amounting to \$30 million have been made available through the Rural Bank. The potential for increasing agricultural production from the hill country is being selectively encouraged and considerable emphasis is being given to agricultural processing. The upsurge in applications for deer farming licences indicates a promising venison meat industry and an earner of overseas exchange.

While the Rural Bank and other Government agencies will be funded to enable them to continue the Government's land settlement, farm development, and regional development policies, it must be emphasised that this source of finance is not unlimited. Consequently there is a need for a significant increase in private sector investment if the national goal of expanding export-directed industries is to be met.

It is clear that the agricultural base needs to be broadened and the Government sees the recent success in the development of horticulture as indicative of the potential for expansion which exists. To this end interest-free loans are being made available to selected horticulturists in order to encourage the establishment of commercial size trial blocks by those growers.

The Government will continue to foster the development of the New Zealand fishing industry. It will ensure that the resources of the Exclusive Economic Zone are utilised to an increasing degree by New Zealand interests. While the short-term prospects in some of our overseas markets may not be encouraging, the Government will maintain industry confidence during this period. It will not allow the momentum of development of recent years to flag to the detriment of the long-term development of the industry. Fish processing research is proceeding over a wide range.

Once again the continuity of the country's oil supplies has been under threat. This has led to the introduction of special demand restraint measures and greater emphasis being placed on the encouragement of energy conservation.

Even greater priority is being given to the rationalisation of energy planning, development, and use. The Ministry of Energy is working towards the publication of a comprehensive energy plan in 1980, which will bring together the coal, gas, and electricity sectors for the first time. Urgent attention is being paid to the question of how best to use Maui gas. The Liquid Fuels Trust Board has been established to give impetus to the investigations into alternative transport fuels.

Close scrutiny is being given to the possibility of using the very extensive lignite deposits discovered recently in Southland. Research is continuing into "energy farming" where the use of indigenous renewable resources such as timber and special crops could be of significance to our country in the future.

The Government recognises the importance of tourism to the country and the significant contribution this industry can make to overseas exchange earnings. The Tourism Advisory Council has recommended options for growth. These are being considered as the basis for a development policy to enhance the contribution of tourism to both the economy in general and to regional development and employment opportunities in particular—in a manner which will not damage the quality of the New Zealand way of life.

The Government will introduce the final Bill to complete the complex task of revising and consolidating the Municipal Corporations Act and the Counties Act into a single measure, which will deal with most of the functions and powers of regional and united councils and territorial authorities.

Public works legislation, which also influences regional planning, has been under study by a review committee. The study is nearing completion and a Bill amending and consolidating the Public Works Act will be introduced.

Policies designed to promote regional development, often based on surveys made by the regions themselves, are making and will continue to make a significant contribution to employment and investment opportunities in agriculture, horticulture, tourism, and fishing. Special encouragement will continue to be given to these activities as well as to manufacturing and processing ventures.

Forestry also provides a significant boost to regional development as well as making a major contribution to overseas earnings. During the next decade large volumes of exotic timber will become available as a result of the large plantings made by the State and private interests in the early 1960s; the Government will examine the market possibilities for these crops.

It is the Government's intention to ensure that the nation's forests are managed so as to satisfy the needs and aspirations of all New Zealanders. Public entry into indigenous forests is being encouraged to foster a greater appreciation of our forest heritage. The Government recognises that forests play a preservation and recreational role as well as being an economic investment for the future.

The Government will introduce legislation to give effect to the proposals in its 1977 White Paper on urban transport in New Zealand. The proposed reorganisation of its finance and administration will create a climate for the future sound development of urban transport in this country.

Heavy transport operators have been levied an additional 20 per cent in road user charges as their share of the contribution from road users generally to the upkeep of our roads.

It is also proposed to submit for your consideration a Bill to revise and amend the Boilers, Lifts and Cranes Act 1950 to provide for a shift in emphasis from inspection, for which the private sector would be responsible, to the training and supervision of those in charge of the machines.

A major revision of the Shipping and Seamen's Act 1952, which provides the foundation for the safety of shipping and the conditions of employment of seafarers, is to be undertaken. Because the legislation is complex it is unlikely to be ready for introduction this year.

The Government will introduce legislation to make it clear that the unloading of commercial fishing vessels is not to be undertaken by waterside workers but will be reserved for fishermen assisted when necessary by fish processing workers.

In the labour and employment area, safe and suitable working conditions will continue to be promoted. To this end the Government intends to introduce the Factories and Commercial Premises Bill which amalgamates and rationalises the existing Factories Act 1946 and the Shops and Offices Act 1955. This legislation will strengthen safety requirements and provide a uniform code for all commercial and industrial establishments.

To extend further the equality of opportunity in employment for women the Government intends to introduce the Maternity Leave and Employment Protection Bill. This provides for 6 months unpaid maternity leave along with employment protection during that leave. It also provides a facility for initiating personal grievance proceedings where a woman considers she has been dismissed unlawfully or has other complaints regarding her maternity leave.

The Guardianship Act will be amended to permit reciprocal recognition and enforcement of custody orders between New Zealand and Australia.

Legislation will be introduced to ensure the maintenance of adequate standards in old people's homes and to protect the confidentiality of computer-stored information on patients.

Because of the need for restraint in the growth of health expenditure the Government is seeking the co-operation of all health care agencies in improved planning, including the ordering of priorities, and greater emphasis on health promotion and preventive services.

Now that the country's immediate housing needs can largely be met from the existing stock of houses, the Government has given a new emphasis and direction to its housing policy by offering those borrowing from the Housing Corporation a greater freedom of choice to buy either a new or an existing home. These moves have been coupled with direct support for the building industry.

Increasing importance will be placed on the use of the existing housing stock and particular attention will be paid to policies for its renewal and rehabilitation as well as the better use of existing urban services and amenities.

A major consolidation of the Education Act 1964 is planned for this year. It is a complex undertaking and the intention is to introduce the Bill late in the Session for study by a Select Committee during the recess.

In the meantime it is proposed to amend the 1964 Act to give effect to the recommendations of the Committee on the Registration and Discipline of Teachers.

A number of major studies will be undertaken during the year on various aspects of education and its administration. In the conduct of these studies the concerns expressed by both parents and teachers will be given proper emphasis.

The Government's principal aims in its foreign policy are:

- to contribute actively to the strengthening of peace and stability, especially in the neighbouring areas of the South Pacific and South-east Asia,
- to develop co-operation and friendly relations with the states of these and other regions, and thus
- to promote conditions in which it can diversify and increase its overseas trade.

To ensure that these objectives continue to be pursued effectively, the Government will consider further aspects of the report of the Plimmer Committee on foreign service administration.

In the present uncertain international climate the Government is determined to maintain the armed forces at levels which ensure their ability to preserve national security and control of our own area, including the Exclusive Economic Zone, and to promote security in the South Pacific region.

Having completed a comprehensive review of its defence policy the Government will take steps this year to upgrade certain items of equipment and to initiate studies to select other major items planned for replacement.

The Government is committed to the maintenance of law and order.

Within the limits presently imposed by the country's economic circumstances, the Government has ensured that the Police have the resources they need to do their job. It also recognises the growing complexity of law enforcement, and the importance of legislation in keeping pace with the needs of the community for protection. Police powers in relation to drugs have been considerably strengthened to meet narcotics trafficking, which is a serious threat.

A Criminal Justice Amendment Bill will enlarge the range of options available in criminal cases, and there is likely to be a measure embodying some of the recommendations of the Royal Commission on the Courts.

The electoral law will be reviewed and any proposed changes will be considered by a Select Committee.

Steady progress towards the establishment of regional government necessitates a significant change in the control of civil defence at local authority level. The Government will introduce a Civil Defence Amendment Bill to facilitate this change.

The Historic Places Act will be revised and consolidated to ensure that adequate protection is available for those places which are an important part of our cultural heritage.

The Government proposes to introduce a Bill revising and updating the Litter Act 1968. This Bill will strengthen anti-litter enforcement by authorising duly appointed litter control officers to issue litter infringement notices.

The Government will continue to give full attention to meeting the special needs of the Maori people in areas of community services, housing, land, and special vocational schemes for young people. The recent broadening of the functions of the Maori Land Advisory Committees will encourage a more active participation of the Maori people on land issues.

The introduction of the theme "Tu Tangata", to encourage the Maori people in the field of education, will benefit the whole community. Pacific Island people will be invited to participate and to develop housing and social welfare support.

A Bill proposing amendments to the Broadcasting Act 1976 will be introduced to give effect to changes in the administrative structure of television planned by the Broadcasting Corporation.

You will also be asked to consider a Bill to amend and consolidate the Civil List Act 1950.

I spoke earlier of the values and traditions which unify us. In an Anzac Day address last month the Chief Justice quoted the following lines from a war diary of a New Zealand soldier written in the trenches

of Passchendaele, Flanders, during 1917. These lines were only found after his death—in his 90th year—a few weeks ago but they are just as apt for the men and women of today:

“Not gold, but only men can make
a nation great and strong;
Men who for truth and honour's sake
stand fast and suffer long.
Brave men! who fight while others sleep,
who dare while others sigh,
They build a nation's pillars deep
and raise them to the sky.”

HONOURABLE MEMBERS, I commend all these matters to your careful consideration and I pray that divine guidance will attend your deliberations.