



THE
NEW ZEALAND GAZETTE
 EXTRAORDINARY.

Published by Authority.

WELLINGTON, FRIDAY, FEBRUARY 16, 1912.

THE First Session of the Eighteenth Parliament of New Zealand was this day opened by the Governor, when His Excellency was pleased to make the following

S P E E C H .

HONOURABLE GENTLEMEN OF THE LEGISLATIVE COUNCIL AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES,—

The circumstances which have arisen in consequence of the last general election have, in the opinion of my Advisers, made it expedient that Parliament should be called together at an earlier date than usual.

During the recess I have visited various parts of the Dominion and made myself better acquainted with the people. I am glad to be able to congratulate you upon the continued prosperity of the country. The outlook is most promising, and contentment and happiness obtain everywhere.

The very great and difficult question of revising our local-government law has had the closest attention of my Advisers, and a Bill will be introduced providing a completely new and comprehensive scheme, under which, amongst many other reforms, the finances of local bodies and the important question of the construction and maintenance of roads will be placed on a more stable and satisfactory footing.

This scheme will be made the basis for radical changes in the constitution of the Legislative Council, and a Bill to carry this into effect will be introduced. Under this measure a proportion of the members of the Legislative Council will be elected by the members of the Provincial Councils to be created by the new Local Government Bill, a proportion will be elected by the members of the House of Representatives, and a certain number will be nominated by the Government. The Bill will be referred to the local public bodies for consideration and report.

My Advisers consider that, owing to the rapid disappearance of the last remnants of unalienated Crown lands, legislation must be passed providing for the more effective subdivision, for closer-settlement purposes, of freehold estates of £25,000 unimproved value and upwards. To this end a Bill will be introduced giving the Crown power to take these estates compulsorily at a price to be fixed by the Land Purchase Board. The Bill will provide that the land so resumed shall be sold to small settlers under a deferred-payment system; and in the event of the proceeds exceeding the price paid to the owner for the land, such excess, with interest, will be paid to him, or should the price realized be less, then the deficiency will be deducted from the amount payable to the owner.

In order to promote the speedier settlement of unoccupied Native lands my Advisers deem it necessary to strengthen the staffing of the Native Land Courts and of Native land surveys. Provision will be made whereby surplus Native lands shall be sold or leased on behalf of the Native owners through the Crown, on the best terms obtainable. Such provision will operate concurrently with a vigorous prosecution of the purchase by the Crown of surplus Native lands. In order that the areas reserved for the use and occupation of the Maori owners shall be effectively occupied by them, special provision will be made under proper safeguards to assist them financially, and with advice and instruction in modern methods of farming.

More stringent provisions will be made to deal with the aggregation of landed estates in contravention of the law, and power will be given the Courts to forfeit all land which has been aggregated in breach of the law, unless the Court is fully satisfied that the breach was unintentional. The existing system with regard to the limitation of area will be revised, and provision will be made for standards of living-areas, based not merely upon the productiveness, but also upon the position, roading, &c., and all other main considerations affecting the areas in question. These standards will be so fixed as to give an area which, properly worked, will provide on a safe average ample means of subsistence for a man, his wife and family, and a sufficient margin for saving, with a view to independence.

Legislation will be introduced to prevent the present trafficking in Crown leases, and provision will be made that where a tenant sells his lease, without satisfactory cause, before a certain number of years has expired, a portion of the price he obtains for the goodwill of it will be taken by the State, and the shorter the period the tenant retains his lease, the larger the share the State will receive.

MR. SPEAKER AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES,—

My Advisers will place before Parliament a statement of the finances of the Dominion, which it is gratifying to know are in a buoyant and satisfactory position.

The graduated land-tax will be adjusted and made more uniform, the rates being increased from the point of £30,000 unimproved value upwards. The main purpose of the new graduated land-tax will be to compel subdivision in order to insure closer settlement of the lands. An alteration in the method now applying to towns and cities will be submitted.

The land-tax will also be revised, and exemption for taxation purposes will be raised to £1,000 so as to give further relief to farmers and occupiers of small holdings.

Legislation will also be introduced to distinguish for taxation purposes between earned and unearned incomes, so that earned incomes shall bear a smaller burden of taxation than those which are unearned, also to reduce the tax payable by widows with limited incomes, and to distinguish between incomes of parents who are educating and maintaining a family and those who have no such responsibility.

HONOURABLE GENTLEMEN OF THE LEGISLATIVE COUNCIL, AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES,—

My Advisers fully recognize, also, that the increasing complexity of many social questions demands a competent and impartial investigation of the facts

upon which these questions are based. It is proposed to create a standing Commission of Industrial Investigation, consisting of two representatives of the labour unions and one each of the industrial, commercial, and landed interests. This Commission will inquire into any question affecting the cost of living, the existence of monopolies, and other pressing social and industrial problems, including the question of unemployment and sickness, and, after inquiry, will report thereon to Parliament. By this means my Ministers hope to provide the people as a whole with full and reliable information regarding the facts from which urgent social and industrial questions are now arising, and also furnish Parliament with the basis for necessary remedial legislation.

Improved legislation will be introduced dealing with the labour troubles which have recently arisen in New Zealand. In this connection my Advisers propose to amend the present Industrial Conciliation and Arbitration Act in the direction of removing causes that lead to unnecessary friction between employers and employees. Under the proposed amendment the President of the Arbitration Court will not necessarily be a Supreme Court Judge or other lawyer, but, as has been found expedient in Canada, some practical and recognized authority in economic science.

My Government have had under careful consideration, as a useful step towards industrial harmony, the promotion of voluntary profit-sharing, with a reasonable share for the employees in the business in which they are employed in all suitable industrial enterprises, by means of a new system of State guarantee of the capital required by the workers, on condition that the workers and employers jointly indemnify the State against loss.

The report of the Mines Commission has been received, which, together with the evidence, will be duly placed before you. My Advisers will submit important proposals for the benefit of those working in the mines and for the improvement of this important industry.

MR. SPEAKER AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES,—

Experience has shown that the present electoral law is not working satisfactorily, and that in practice many people entitled to vote are disfranchised. Substantial changes in our electoral law will therefore be submitted for your consideration.

My Advisers recognize that the time has arrived for a complete revision of the Customs tariff by experts, and upon the scientific lines which have been adopted with such great success in Canada, Germany, and other countries, with a view to a true protective system encouraging suitable local industries, and enabling them to provide fuller employment and better wages for our people. In this connection, too, under the altered system of graduated tax upon the land, sufficient revenue will be obtained to warrant a reduction in the duty on tobacco and on many articles in daily use required by the small farmers, the workers, and their wives and families.

Further concessions will be made in railway-passenger fares for children. Up to five years of age they will travel free, and from five to fourteen years at quarter-rates. This will give greater opportunities to those who can ill afford to pay to secure some change not only for health purposes, but also for the purposes of their occupation and daily life. It is also proposed to revise the railway freight rates with a view to reduction on certain articles affecting the country settlers.

HONOURABLE GENTLEMEN OF THE LEGISLATIVE COUNCIL, AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES,—

In order to promote the further opening-up and development of the country, my Government will continue to actively prosecute the making of railways, roads, and bridges.

My Advisers recognize that the health of the community is a national asset, and should as far as possible be promoted and protected nationally. In furtherance of this object, the principle of the existing system of trained nurses will be extended by providing medical attendance for all those who are not reasonably able to secure the same, whether they be the small farmer or worker, or their wives or children. Convalescent homes will also be established for mothers after maternity.

Legislation dealing with old-age pensions will be submitted fixing the age for women at sixty years and for widows at fifty-five years without any restrictions as to children. Proposals for invalidity cases will also be placed before you.

It is proposed to establish a Bureau of Justice, by providing, at the expense of the State in all proper cases, legal assistance for the protection or defence of a man's rights and liberty where he has not the means of securing such assistance.

Facts have come before my Advisers which show that trusts and combines are operating to some extent in this Dominion, and, as the existing legislation may prove insufficient to suppress the evil, a Bill extending the present law will be introduced.

The success which has followed State enterprise in New Zealand has induced my Advisers to decide upon the nationalization of the iron industry. By providing cheaper material the ironworking establishments that now employ a large number of people will be able to greatly expand their operations, and employment will be found for a great number of workers in producing iron and steel from the raw product. If satisfactory arrangements cannot be made with regard to the development of the oilfields of the Dominion by private enterprise, or if any attempt is made to put it under the control of any trust or combine, that industry will be nationalized as well.

Proposals will be submitted to establish a State coal-mine and coal-depots in the Provincial District of Auckland in order to give the inestimable advantage of cheaper coal to the people of that province.

My Ministers are satisfied that it would be of great advantage to the workers in the different centres if they were able to acquire cottage farms from the State sufficiently near their usual work to enable them to employ their spare time upon these farms, in fruitgrowing, dairying, market gardening, or other profitable purposes. The proposed system is based upon lines which have proved so successful in England and America, and on the Continent of Europe.

My Government, as the results of practical experiments on poor and what has hitherto been regarded as unproductive land, have decided to set aside areas for disposal on easy terms for fruitgrowing under co-operative associations and small holdings to individuals, and for this purpose will render reasonable financial assistance to enable the farms in the earlier stages to be profitably worked.

The legislation introduced last year for the creation and promotion of co-operative farmers' banks will be proceeded with, but with more effective machinery than the Bill of last session contained.

The Bill providing for a State-note issue in New Zealand, which was before Parliament last year, will be reintroduced.

Anomalies exist in the First Division of the Railway Department, and legislation will be submitted providing for a more equitable classification of the members of that branch of the service.

My Advisers hold that the ideal of our education system should be to make it free from the primary school to the University, and proposals to give effect to this will be submitted. Special provision will also be made for the development of agricultural colleges and experimental farms to equip our present and future settlers with the best and most up-to-date scientific training.

You will, I feel confident, give the position of the Dominion and the several matters I have brought under your notice, together with the measures that are to be submitted, your earnest and careful consideration; and I trust that your labours and decisions may, with God's blessing, result in materially promoting the prosperity, happiness, well-being, and lasting benefit of the people of New Zealand.