



THE
NEW ZEALAND GAZETTE
 EXTRAORDINARY.

Published by Authority.

WELLINGTON, THURSDAY, SEPTEMBER 22, 1932.

THE Second Session of the Twenty-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 GENTLEMEN OF THE LEGISLATIVE COUNCIL AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES,—

The financial and economic position of the Dominion having rendered necessary a special session of Parliament which concluded in May last, you have been summoned to meet again for the normal session on a date later this year than is customary.

During the recess I have taken the opportunity to visit various parts of the Dominion and to meet their inhabitants belonging to all classes and occupations. I desire to express my keen appreciation of the cordial welcome which they have everywhere extended to me as His Majesty's representative, and of the courageous and resourceful spirit with which they are facing the present economic crisis.

My Ministers have consistently held the view that an increase in inter-Empire trade must be of benefit to the peoples of the British Commonwealth, and accordingly they warmly welcomed the convening of the Imperial Economic Conference which met recently at Ottawa. At this Conference the Dominion was represented by the Right Hon. J. G. Coates and the Hon. W. Downie Stewart, and the results of its deliberations have been a matter of much satisfaction to the Government. Details of the agreements entered into at Ottawa will be laid before you for your consideration.

I have been happy to note indications that the depression from which New Zealand, in common with the whole world, has been suffering, is becoming less severe, and it is possible to hope for a return to prosperity at no distant date. At the same time, the Government are convinced that the existing economic disturbance can be overcome only by international action directed to the abolition of the numerous financial restrictions at present hampering world trade. My Ministers have therefore attached the

utmost importance to the recent Conference at Lausanne, and they have followed its deliberations with deep interest, as calculated to enhance confidence and promote commercial intercourse. Complete success, in their opinion, must depend upon international co-operation; and my Ministers hope that a substantial measure of progress will be achieved by the World Economic Conference which is now contemplated.

My Ministers have continued their whole-hearted support of the League of Nations and of the principles of permanent world peace which it is its object to promote. They have been represented by their High Commissioner at the Disarmament Conference, which has been sitting at Geneva during the current year, and it is their earnest hope that when the Conference reassembles it will be able to effect a material reduction in international armaments.

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

Owing largely to the prices of primary products in the world's markets continuing to fall during the past financial year, the disorganization of our economic life has been accentuated to such an extent that the Government felt it necessary to submit drastic proposals to meet the situation. More adequate provision to relieve unemployment was found to be essential, despite the fact that the cost of providing this relief increased the heavy burdens already pressing upon the people. So extensive a fall in prices altered all previous standards of values, and its suddenness and rapidity caused many borrowers serious embarrassment. The legislation passed during your special session to enable them to maintain production and in order to spread the financial burden as equitably as possible over all sections of the community has afforded considerable relief.

The stagnation in trade and industry was inevitably reflected in the public finances, and, notwithstanding additional taxation, reductions in salaries and wages, and other economies, the efforts of my Ministers to balance the Budget were unsuccessful, and the financial year closed with a deficit of £2,140,000. It is gratifying to note, however, that this amount is more than offset by reserves accumulated in more prosperous times.

The National Expenditure Commission, which was appointed to assist in effecting further economies in State expenditure consequent upon the reduced revenue, has now submitted its final report. Many of its recommendations have already been carried out, and legislation will be submitted to give effect to others the adoption of which is considered desirable.

In spite of prevalent adverse conditions, a loan of £5,000,000 was successfully floated in London in April. Of this amount, £4,000,000 was allocated to the redemption of short-term loans, and the remainder to public works.

My Ministers are of opinion that the Conferences at Lausanne and Ottawa, together with the large conversion loan successfully negotiated in Great Britain, have inspired a healthy and promising return of confidence. Improved trade conditions will result in better prices for the Dominion's products in external markets, and the national income, thus augmented, will benefit all classes of our people.

Renewed activity in business will aid materially in accelerating economic equilibrium, and my Ministers are anxious not to discourage enterprise by imposing upon the community any further burden. Although the budgetary position still demands anxious consideration, every effort is being made to avoid the necessity for any increase in taxation during the current financial year. As a measure of relief, my Ministers recently decided to restore the system of penny postage.

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

In common with other sections of the farming community, Crown settlers have been adversely affected by economic conditions, and in many cases it has been necessary to grant liberal concessions in order to ensure the

continued occupation of their holdings. It is gratifying to learn from my Ministers that the work of developing areas of unimproved Crown land is progressing satisfactorily, and that the subdivisions already selected give promise of successful occupation. It has been found necessary, however, largely to suspend the purchase of estates for the purpose of closer settlement; but every effort is being made to meet the demand for small dairy farms by rendering available for selection suitable areas of Crown land, and by applying the provisions of the legislation of last session under which substantial advances may be made to prospective settlers who are desirous of purchasing sections of freehold property.

The development of native lands is being pursued with energy, and with due regard to the requirements of the various Maori communities concerned. The number of schemes in operation at the end of last year was forty-one. On many of these subdivision has been carried out and farm units established, particular attention being directed to dairying. The provision of work on native lands for unemployed Maoris has been of material assistance in affording them much-needed relief and in reducing the expenditure of unemployment funds.

The assistance rendered under the Hawke's Bay Earthquake Act, 1931, to those who suffered loss as a result of the catastrophe of last year has been of great benefit to this area. The Rehabilitation Committee, which was set up to consider applications for relief, has completed its difficult task, and the progress already made in the restoration of the district affords ample proof that its work has been well done.

A Bill to consolidate and amend the law relating to companies will be submitted for your consideration to bring the law of New Zealand into harmony with company law in England, but modified so as to meet local requirements. These amendments are deemed necessary in order to give effect to the recommendations of the Advisory Committee appointed for the purpose in 1930.

Bills will be laid before you relating to the rating of urban farm lands and to safety in building construction; for the amendment of the law concerning customs, banking, superannuation, native lands, hospitals and charitable institutions, remedies for live-stock diseases, the poultry industry, and weights and measures; and for the consolidation of the Municipal Corporations Act and its amendments.

I trust that, with God's blessing, your deliberations may promote the welfare and prosperity of the Dominion and its people.

