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THE Fifth Session of the Thirtieth 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,

The last occasion on which you assembled for the opening of Parliament is fresh in all our minds. It was made memorable by the fact that our beloved Sovereign, Her Majesty Queen Elizabeth, and His Royal Highness the Duke of Edinburgh were present and that the Speech from the Throne was delivered by Her Majesty herself. That brilliant event, and the Royal visit of which it was part, will ever be remembered with pride and affection by all our people, who for their part demonstrated to Her Majesty a fervent and spontaneous loyalty unsurpassed throughout the Commonwealth and Empire.

It is worthwhile recalling that against this background of loyalty and affection for the Crown we have recently celebrated the attainment of one hundred years of parliamentary government in this country. Our economic and political development during that century are a tribute to the enterprise and resource of our people and justify confidence in the future progress of this fortunate land.

The tour of Her Majesty and His Royal Highness is of special importance to New Zealand, for our association with the United Kingdom and the other member States, and the strength of the Commonwealth alliance, is the foundation of our foreign policy. My Ministers will continue to ensure that this association is maintained unimpaired and, indeed, strengthened in the days that lie ahead.

Full support for the United Nations is also an essential element of New Zealand policy, and it was for this reason that New Zealand recently accepted appointment to the United Nations Security Council. Membership of that Council will afford my Government a greater opportunity of contributing to the task of encouraging the settlement of international disputes and the maintenance of peace and security.

In the opinion of my Ministers the existence of the ANZUS Treaty is a vital source of strength for New Zealand and Australia and for the Commonwealth as a whole. The policy of my Government will therefore be to ensure that the organization established under the Treaty continues to be effective.

I recall with satisfaction that since I last addressed you one of the objectives of the United Nations in Korea has been attained by the conclusion of an armistice agreement on terms which entirely accord with United Nations principles. The armistice remains in full force and effect, but no substantial progress has, I regret to say, yet been made towards the further objective of a political settlement in Korea.

Recent developments in Indo-China and South-east Asia give rise to grave concern for the safety of the free world, and the position is being studied most carefully by my Ministers. Because of the importance of the problems involved, my Government deemed it necessary that New Zealand should be represented by the Minister of External Affairs at the Political Conference in Geneva. Though the discussions there have proved disappointing because of the attitude of the Communist powers, my Ministers still maintain the hope that, by the exercise of patience, a speedy and honourable conclusion to the conflict in Indo-China can be achieved.

Fully recognizing the prime importance of the South-east Asian area to the security of New Zealand, my Government has welcomed the proposals recently made by the United Kingdom and the United States for the examination of the possibility of establishing a collective defence arrangement within the framework of the United Nations Charter to ensure the peace, security, and freedom of South-east Asia and the Western Pacific.

My Government continues to maintain its interest in developments in the Middle East, a strategic area of vital importance to Commonwealth security. Hostile relations between Israel and the Arab States have been a matter of special concern, and my Government has, through its representative on the Security Council, supported policies and procedures designed to reduce the existing tension.

Though there appear to be grounds for hope that international tension shows signs of easing, my Advisers do not regard the world situation, and particularly the position in South-east Asia, as allowing any relaxation in the defence measures we have had to adopt in the interests of our physical security and in pursuance of our international obligations. Our military force is still serving in Korea and, on present indications, must remain there for some time yet. However, our naval units have been able to resume periodic visits to our outlying dependencies in the Pacific. Steady progress has been made in the build-up and training of our land forces. Our Air Force carried out a most important transport and escort mission in connection with Her Majesty's recent tour of New Zealand and Fiji. In addition, escort duties were performed by our Squadron in Cyprus while the Royal Yacht *Britannia* was in the Mediterranean.

In the economic field my Government is gratified to record that the sterling area has experienced a good trading year and that the gold and dollar reserves of the area have substantially increased.

In January New Zealand was represented by my Associate Minister of Finance at a Conference of Commonwealth Finance Ministers, when, after very useful discussions, the objectives laid down at previous conferences of strengthening the position of sterling and establishing a wider and freer system of trade and payments were reaffirmed. My Advisers are pursuing policies designed to ensure that New Zealand plays a full part in the attainment of these objectives.

Although New Zealand is engaged in a large capital development programme of her own, my Government is aware of the problems facing the less-developed countries of the world, and of the need to assist them in raising the living standards of their peoples. Accordingly,

my Ministers have continued to give active support to the technical assistance programmes of the United Nations and to the Colombo Plan for the economic development of South and South-east Asia. In this way we are demonstrating our sympathy and concern for the peoples of the new nations of Asia and our sense of Commonwealth partnership.

Accompanied by my wife and daughter, I have recently enjoyed the privilege of visiting the island territories for whose administration the New Zealand Government is responsible. We were able to meet the leaders of the Samoan and Cook Islands peoples, and I would like to take this opportunity of expressing our appreciation of the welcome and hospitality we received at all stages of our journey.

Last year my Prime Minister announced important proposals for the political, economic, and social development of the Trust Territory of Western Samoa. In pursuance of these proposals a constitutional convention representative of all the people of Samoa is to be held at Apia during the present year for the purpose of discussing the nature of the political institutions they would wish to see established when the Territory achieves full self-government.

The well-being of the people of the Cook Islands, Niue, and the Tokelau Islands has continued to receive the attention of my Government. Special heed has been paid to questions affecting their political institutions as well as their economic and social advancement.

New Zealand's own economy has remained healthy and vigorous during the past year. There has been a steady demand from overseas for our primary produce at prices which have enabled us to maintain the buoyancy of our external trade. Budgetary prospects for the past financial year were affected by the general wage increase granted from 15 September 1953. Basic social security benefits and war pensions were substantially increased to offset any rise in living costs resulting from the wage increase. The revenues have been sufficiently buoyant, however, to meet the heavy costs of our defence programme, to sustain the taxation concessions made again last year, and, after absorbing increased wage costs, to yield a small but satisfactory surplus of £1,800,000 in the Consolidated Fund.

Steady progress has been made with the extensive programme of works essential to the development of our resources and the maintenance of present living standards for a rapidly increasing population. To provide finance for these projects two internal loans were floated successfully, and additional moneys were secured from a loan issued in London. These were supplemented by a loan from the trading banks for housing purposes.

Because of the unbalanced seasonal conditions during the year, pastoral and dairy production has been below normal. However, all classes of livestock have increased in numbers and total production has not been seriously affected.

The determination of the United Kingdom Government to put an end to rationing, price controls, and bulk purchase arrangements for major food items has a considerable bearing on the marketing of our primary products. New Zealand foodstuffs will once more have to face open competition in the markets of the world, but, on the basis of quality and service, will be able to hold their own if given fair competitive conditions. Open trading conditions will, however, give rise to some difficulty in the forward assessment of our national revenues, and every effort must be made to increase the volume and improve the quality of our primary products on which the prosperity of this country so vitally depends. Attention is therefore being paid to land and pasture improvement, whilst aerial topdressing of hill country is being expanded.

Progress has also been maintained in the development of Crown lands for farming purposes, particularly in the North Auckland and Rotorua districts. Further financial assistance to enable farmers to bring undeveloped or partly-developed land into full production has been provided under the Marginal Lands Act 1950. The extensive research programme in respect of soils, pastures, and field crops is being maintained.

Rapid progress has been made in establishing a new pulp and paper industry to ensure the economic utilization of our softwood resources and add another primary industry to our economy. The construction of the necessary mills and ancillary services is so advanced that production will commence next year.

The products of our manufacturing industries are not only meeting our own requirements to an ever-increasing extent, but are assuming an important place in our export trade. My Government is co-operating with these industries in finding markets overseas, and, as a means to this end, arranges participation in industrial fairs and exhibitions whenever this is practicable.

A recent development having considerable significance for this country has been the withdrawal of the United Kingdom from partnership in the operation of the trans-Pacific and trans-Tasman air services linking New Zealand with North America and Australia respectively. As a consequence it has now been agreed that the trans-Pacific air service should be operated by Australia alone, whilst the service across the Tasman and a feeder service linking New Zealand with the trans-Pacific service at Fiji will be operated jointly by Australia and New Zealand. My Government has reserved the right to operate an independent service to North America, but feels that for the present the new arrangement will make for greater economy and efficiency without jeopardizing the interests of this country.

Among the railway works now under construction the most important undertaking which has been pushed ahead during the year and now nears completion is the tunnel through the Rimutaka Range. This will assist materially in the development of the Wairarapa district, from which such a large proportion of our primary production is derived. It will provide also an additional traffic outlet for the Hawke's Bay and East Coast area.

Substantial improvement in the country's roading system is expected to attend the establishment of the National Roads Board set up in pursuance of legislation passed last session. Local authorities will enjoy more direct control over the expenditure of moneys on roading within their areas and in matters of technical design and construction. The representation of a wider range of interests which the constitution of the Board permits, including for the first time municipal and industrial transport associations, will make for greater economy and efficiency in the construction and maintenance of the many and varied roads under the Board's control.

The sharp increase in the toll of road accidents accompanying the rapid expansion in motor traffic has been causing my Government grave concern. It is satisfactory to record, however, that, partly as the result of new and somewhat novel measures which my Minister of Transport has taken, the rising casualty rate on the roads has not only been halted, but has, more recently, been kept below the figures of some pre-war years, when the volume of road traffic was about half the present level.

In the matter of communications, substantial improvements have been made in the telephone and toll system, and at the same time the services have been expanded to meet the growing demand throughout the country. Further extensions to these services are in hand at the present time.

The progressive development of our resources of electric power is an important factor both in our expanding economy and in the steady improvement of our living standards. During this financial year work will commence on the construction of a new power-station at Braeburn, in the Nelson district. Work is also continuing on the use of geothermal steam for the generation of electric power, which when developed will make a useful contribution to the requirements of the North Island.

The high level of demand for labour has been sustained and is matched by a high degree of industrial harmony throughout the country. My Minister of Labour is in constant touch with representatives of all sections of industry in efforts to promote understanding and agreement. It is highly satisfactory to be able to record that, since the waterfront strike in 1951, the output of work on the waterfront has increased by 25 per cent, notwithstanding a decrease of 1,000 in the number of registered workers. The Waterfront Industry Act, passed by Parliament last session, not only establishes Commission and Tribunal control of the industry on a permanent basis, but includes measures designed to improve the standard of amenities on the waterfront and to attract the best class of worker to the industry. My Government wishes to place on record its appreciation of the efforts of all sections of the industry during the past three years.

My Government will continue its policy of selective immigration so as to bring into the country in reasonable numbers people who can be readily assimilated and who are able to offer some worthwhile contribution towards our national development.

The vigorous action which followed the National Housing Conference held last year is an earnest of my Government's determination to deal with the housing problem. The new approach to this problem has yielded a record number of new houses during the financial year just ended and, in order to keep up the momentum, the present drive will be maintained.

It is a source of pleasure to my Ministers that a large proportion of our ex-servicemen of the Second World War has received assistance sufficient to complete their rehabilitation into civilian life. Total expenditure in this field now exceeds £180 million, of which more than £138 million has been advanced by way of loans. The sense of responsibility evinced by ex-servicemen in meeting their commitments is highly satisfactory and reflects the desire of these men to place their affairs on a sound basis. My Government appreciates the valuable services of those many persons who have assisted in various ways in meeting the needs of our ex-servicemen.

Consideration has been given to measures that can be adopted to improve the administration of our social services. A report has been submitted by the Consultative Committee on Hospital Reform, and their recommendations are now being studied.

During the past year the rates of benefits under the social security scheme have been reviewed. In general, increases of 10s. per week have been granted in respect of those benefits which are subject to an income qualification, while corresponding increases have also been made in the rates of war pensions and war veterans' allowances.

Recognizing that the welfare of the Maori people is of paramount importance, my Government has been giving special attention to land settlement, employment, education, health, and housing. Improvement in health and living standards has followed the provision of better houses, a record number of which has been made available to the Maori people during the past year. Prime importance is attached to the community aspects of Maori life and welfare, and in dealing with particular problems my Minister of Maori Affairs is concerned to see that close liaison with tribal executives is maintained.

The legislative programme which will be submitted for your consideration will include Bills dealing with the Armed Forces, Local Government, Housing, and Education. A Criminal Justice Bill designed to protect society against hardened criminals and to promote the reformation of younger offenders will be laid before you, along with a Penal Institutions Bill, the purpose of which is to consolidate and amend the law relating to prisons and borstal institutions. Bills to amend the Divorce and Matrimonial Causes Act 1928, the Domestic Proceedings Act 1939, and the law relating to the adoption of children will also be submitted for your consideration.

The Law Revision Committee, assisting my Minister of Justice, has continued its examination of suggested reforms in the law, and it is expected that one recommendation of the Committee, a Defamation Bill, will be presented to you this session.

You will be asked to consider a Bill modifying the law relating to disqualification of a member of a local authority with which he has entered into a contract, and also a Bill endowing County Councils with more adequate powers in regard to housing. A Rating Amendment Bill to simplify procedure for the sale of abandoned properties will also be included in the legislative programme for this session.

It will be remembered that, in conformity with the recommendations of the Patents Commission, which sat in 1950, three new Acts dealing with Patents, Designs, and Trade Marks, respectively, were passed last session. A fourth Bill in this series, namely, a Merchandise Marks Bill, will, as foreshadowed last year, be placed before you this session. Proposals to amend the Pharmacy Act 1939 will be submitted for your consideration, and you will also be asked to consider legislation designed to minimize delays that might arise in the operations of the Tasman Pulp and Paper Company through the restrictions which the present law would impose on its use of the waters of the Tarawera River.

You will be asked to consider a Bill revising and consolidating the Labour Department Act 1908 and its amendments. My Government also proposes to introduce two minor amendments to the Military Training Act 1949 and a small amendment to the Workers' Compensation Act.

Consolidating legislation will include the Land and Income Tax Act, the Marriage Act, the Family Protection Act, the War Pensions Act, the Municipal Corporations Act, and the Industrial Conciliation and Arbitration Act.

I earnestly pray that, with God's blessing, your deliberations on all these matters may prove to the lasting benefit of the people of New Zealand.