THE NEW ZEALAND GAZETTE EXTRAORDINARY

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THE First Session of the Thirty-third 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 THIS HOUSE OF REPRESENTATIVES

Since I last addressed you, the people of New Zealand have again elected their representatives to this House. My Government, during its six months of office, has been called upon to deal with problems of great consequence.

The international scene has been marked by continued crises in Laos and the Congo. Insistent divisions in the United Nations have placed in jeopardy the very future of the Organisation. My Government's representatives at the General Assembly have opposed attempts to divide and disable the office of the Secretary-General. They have emphasised, too, that United Nations efforts to preserve international peace and security are endangered if member countries refuse to accept their proportionate share of the financial costs involved.

My Prime Minister attended the Commonwealth Prime Ministers' meeting held in London in March. This was notable for the admission to Commonwealth membership of Cyprus and Sierra Leone, and for the withdrawal of South Africa's application to remain in the Commonwealth following the establishment of a Republic.

My Government deeply regrets the withdrawal of South Africa from the Commonwealth; equally it regrets and deplores the policies and practices of that country which made continued membership impracticable. A policy of apartheid is incompatible, however, with the ideal of a multi-racial partnership to which the Commonwealth is dedicated.

You will be asked to consider legislation to deal with the position of the Republic of Cyprus as a member of the Commonwealth.

My Prime Minister also attended the meeting of the SEATO Council of Foreign Ministers in Bangkok. The Council devoted particular attention to the dangerous situations in Laos and South Vietnam. While emphasising New Zealand's readiness to observe its treaty obligations, my Prime Minister stressed the need for efforts to settle the problems

of the two countries by political rather than by military measures. In respect of Laos he urged that, as a means of preventing the rivalry of the great powers in the area, Laos should assume a genuinely unaligned international position.

In accordance with the desire of the Samoan people expressed in the recent plebiscite, you will be asked to consider legislation to abrogate New Zealand's legislative and administrative authority in Western Samoa at the end of this year. My Ministers will work to establish a new and equal partnership between the two countries and, if the Government of independent Western Samoa so desires, will assist the new State in the early years of its independence.

I wish to extend to the Samoan people all good wishes for the future. I look forward to my visit later this year to the Trust Territory and to other Island Territories, including some at which I was unable to call on my previous visit.

Governments participating in the South Pacific Commission will be invited to attend a meeting in Wellington in 1962 to consider ways of making the Commission more responsive to the changing needs and aspirations of the peoples of the South Pacific. In the Cook Islands, Niue, and the Tokelau Islands my Ministers will energetically encourage the greater participation by the people in their own affairs. You will be asked to consider a Bill to amend the Cook Islands Act. The problems of the Chatham Islands are being examined with a view to improving, as a first step, the system of administration.

In its endeavours to promote the welfare and progress of the Maori people my Government attaches particular importance to better housing and education. It has taken steps to increase the number of houses available to the Maori people and will establish a Maori Education Foundation, to be financed by an initial Government grant of £125,000 in inscribed stock and by private contributions. The object is to increase substantially the number of scholarships for post-primary and university education and to provide more vocational training. My Ministers are convinced also that the administration of Maori affairs will be improved if the Maori people can speak with a unified voice. You will accordingly be asked to consider legislation to establish a Dominion Council of Maori Tribal Committees, as well as the Bill dealing with the Education Foundation.

A full review has been made of the New Zealand Defence Forces. The conclusions reached, and proposals for the development and re-equipment of the Services, will be presented to you. It is my Government's aim to ensure that, within the limits of financial resources, the three Services are able to meet any anticipated threat to New Zealand and to fulfil the country's obligations to its allies and to the United Nations.

The arrival of HMNZS *Otago* and the commissioning of HMNZS *Taranaki* will greatly strengthen the Royal New Zealand Navy. The new Battalion for service in Malaya is now in training. The recent purchase of three DC-6 aircraft has more than doubled the airlift capacity of the Royal New Zealand Air Force.

My Government is deeply concerned over the serious implications of the current proposals for the association of the United Kingdom with the European Economic Community. This question was discussed by my Prime Minister while he was in London. Both then and subsequently the nature of the New Zealand interests involved has been brought clearly and unmistakably to the notice of the United Kingdom Government. Firm assurances have been received that there will be prior consultations with New Zealand and other Commonwealth countries before any definitive decisions are made.

Since assuming office my Ministers have also given continuous attention to the acute economic problems posed by a resurgence of domestic inflation and balance-of-payments difficulties. The deficit in New Zealand's external exchange transactions for the year ended March 1961 totalled £47·5 million, the largest ever recorded in a single financial year. Due to the continuing high level of expenditure on

imports and the lower prices ruling for practically all exports, the normal seasonal recovery in overseas funds during the first half of the calendar year did not occur. The depressed state of the London butter market continues to be a matter of the gravest concern. My Government has consistently pressed New Zealand's interests by representations to the United Kingdom and to the butter-exporting countries as well as in the appropriate international agencies.

To meet these economic problems it has been necessary to intensify measures to restrain expenditure on imports and to take steps to meet the deficit in New Zealand's external financial transactions. A loan of £20 million was raised in London in May.

My Government has lodged formal applications to join the International Monetary Fund, the International Bank for Reconstruction and Development, and the International Finance Corporation. If the current negotiations lead to the offer of acceptable terms for membership, a Bill enabling New Zealand to join will be submitted for your consideration. A White Paper will shortly be presented to you in order that full information may be available before the matter is debated in this House and a final decision made.

To assist in the consideration of the broader aspects of economic policy, and to foster a wider public appreciation of the issues involved, a Monetary and Economic Council has been appointed. You will be asked to consider legislation to establish the Council on a permanent basis.

Estimates of expenditure for the coming year, together with related financial proposals, will be submitted to you. A Committee is examining ways to simplify the public accounts.

You will be asked to consider legislation providing for a new Customs Tariff to become operative on the same date as the 1962 Import Licensing Schedule. This Tariff will be the basic form of protection for efficient New Zealand industries. It will be supplemented as necessary by import licensing. In future, Orders in Council amending the Tariff are to be subject to ratification by Parliament. A Bill to establish a Tariff and Development Board to advise my Ministers on matters relating to Customs duties and import licensing will be submitted to you. It is proposed to set up a Manufacturing Industries Advisory Council to assist in the consideration of other problems of industrial development. You will also be asked to consider an amendment to the Trade Practices legislation and a Motor Spirits Duty Bill.

My Ministers are convinced that an assured supply of electric power is essential for the steady expansion of industry. Development plans have accordingly been reviewed and measures approved for the integration of the resources of both Islands so that, at all times and in any part of the country, an adequate supply will be available.

Negotiations conducted by my Ministers have ensured that the natural flora and fauna will have the fullest protection in the development of the aluminium industry in the South Island. A Bill will be presented to you to establish a Nature Conservation Council to act as the focal point for the views of all interested organisations and to provide coordinated advice on scientific and technical questions.

It is the policy of my Government to achieve the maximum degree of economy and efficiency in transport by rail, road, sea, and air. To allow the customer a greater freedom of choice, controls will be relaxed wherever this is possible without detriment to the public interest. Restrictions on the cartage of livestock in competition with the railways are to be completely removed; the limit of 30 miles on the carriage of certain goods by road is being increased to 40 miles.

The Dunedin Airport at Momona is nearing completion and fast progress has been made in the construction of the new international airport at Mangere, Auckland. Under an agreement concluded by my Government with Australia, Tasman Empire Airways is to become a wholly New Zealand owned airline with rights to operate to and beyond Australia. Its services will expand in the national interest as traffic develops.

Under the direction of my Minister of Overseas Trade, continuous attention is being given to the expansion of New Zealand's overseas earnings. The valuable contribution that forestry and its associated industries can make to this end, as well as to domestic requirements, is fully recognised. A representative Export Advisory Council will be established. My Ministers are also actively promoting the development of the tourist industry in the confidence that it has an important part to play in improving the country's balance of payments.

The farming industry will, however, continue to be the foundation of the country's economy. My Government's constant aim, therefore, is to encourage farm production, to bring in new land that can be developed economically and to promote the more intensive and efficient use of land now being farmed. My Ministers are taking all possible steps to protect existing markets and develop new ones for New Zealand's farm production.

You will be asked to consider an amendment to the Land Settlement Promotion legislation to abolish the personal residence requirements of the Act and thus stimulate the private development of farm land. Greater opportunities are being given to civilians to obtain farms developed by the Government; the legitimate rights of ex-servicemen have been protected.

The consolidation of the New Zealand Dairy Board and the New Zealand Dairy Products Marketing Commission into a single new organisation, under a Bill to be placed before you, will mark a significant step forward in the development of the dairy industry. Proposals to alter the constitution of the New Zealand Wool Commission are also under examination. You will be asked to consider Bills to amend the Stock Act and the Hydatids Act.

My Ministers will continue to encourage the establishment of research associations supported jointly by the farming and other industries and the Government. I was pleased recently to open the new laboratories of the Meat Industry Research Institute in Hamilton.

The demand for labour has risen to a point of intensity prejudicial to the stability of the economy. Production on the farms and in industry is being hampered. To promote stability, while maintaining full employment, my Government has accordingly taken action to curb the rise in demand for goods and services and to increase the inflow of assisted immigrants.

You will be asked to consider an amendment to the Industrial Conciliation and Arbitration Act designed to restore the principle of voluntary membership of industrial unions; the right will be given to negotiate preference clauses in awards and industrial agreements. You will also be asked to consider legislation to consolidate and revise the Agricultural Workers Act and the Shearers' Accommodation Act, and amendments to the Apprentices Act, the Factories Act, the Machinery Act, the Tenancy Act, and the Workers' Compensation Act.

A Royal Commission is to be appointed shortly to inquire into the structure and functions of the State services. It will be asked to recommend changes needed to ensure that the public service is properly staffed and equipped to deal in the most efficient manner with the complex technical and administrative problems which face it today.

My Ministers have given close consideration to the present heavy demands on the building industry. It has been necessary to delay some Government construction projects. House building in particular has been at an extremely high level, with most of the finance coming from Government sources.

There has been a marked fall in urgent demands for State houses and this year the building programme will be reduced accordingly. More Crown sections are being made available to those who wish to build their own homes. You will be asked to consider legislation to facilitate the purchase of existing houses. The Family Benefit Capitalisation Scheme is to be extended to the purchase of State rental houses by tenants.

The reconstitution of the university system along the lines recommended by the Committee on New Zealand Universities is to be completed this year. This involves the dissolution of the University of New Zealand; the constituent university institutions then become four autonomous degree-granting universities with two associated university colleges of agriculture. Bills will be introduced to implement these changes.

My Ministers are ever conscious of the vital need to protect the freedom of the individual and to maintain a balance between individual rights and public welfare. A Bill of Rights will be submitted to you. You will also be asked to consider legislation establishing an authority, responsible only to Parliament, to which the citizen aggrieved by administrative action can bring his complaint. A review of all legislation and regulations of the last 25 years has been initiated with a view to abolishing unnecessary restrictions on freedom.

You will be invited to approve further changes in the licensing legislation, based on some of the recommendations of the Select Committee. This will be preparatory to a general revision of the law.

The Crimes Bill and associated legislation will be reintroduced.

My Ministers have examined the measures, including a greater degree of financial autonomy, necessary for the Post Office to develop its services in an expanding economy. They are convinced that these measures will increase incentives and efficiency and provide a better service to the public.

Television services have been expanded in Auckland and are now being introduced in Wellington and Christchurch. A Committee established by my Government has taken evidence on the problems presented by this new medium of information, as a preliminary to the preparation of legislation for your consideration.

My Ministers attach particular importance to the cooperation and support of voluntary organisations in measures to improve the health of the people and the welfare of the individual. The churches, the Plunket Society, and other agencies have a vital role to play in the care of the young and the aged. My Government's efforts to meet the challenge of juvenile delinquency can succeed only if they have the backing of all people of goodwill. In the cultural field voluntary efforts have recorded outstanding achievements in the theatre, literature, and music; these efforts can count on continued Government support.

You will be asked to appoint a select committee to examine ways of expediting the business of this House. Additional Bills for your consideration will include a Government Railways Amendment Bill, an Engineers' Associates Bill, a Mental Health Amendment Bill, and amendments to the Chiropractors Act, the Social Security Act, the War Pensions Act, the Child Welfare Act, the Land Transfer Act, the Local Government Commission Act, and the Cinematograph Films Act.

All these matters I commend to your careful consideration and I pray that Divine guidance will attend your deliberations.

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