THE NEW ZEALAND GAZETTE EXTRAORDINARY

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THE First Session of the Thirty-fifth 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:

For the last time, I have the honour of addressing you, in Parliament assembled, as the mouthpiece and representative of Her Majesty The Queen. No greater honour could befall anybody, and I have cherished it dearly.

Since we arrived in New Zealand nearly five years ago, it has been my great privilege, accompanied by my wife, to carry The Queen's greetings to Her people into every corner of the country, and to all such of New Zealand's dependencies as are inhabited; and to be entrusted in turn with messages of affectionate devotion to The Queen's Crown and Person. These I have faithfully delivered.

It was a great privilege also last year to visit New Zealand sailors, soldiers, and airmen in Malaysia and in Singapore: to hear at first hand of their splendid reputation in those countries, and to see with my own eyes how rightly that reputation has been earned.

By the warmth of our welcome everywhere, from both Europeans and Maori, we have been deeply moved. As long as we live we will always treasure our memories of New Zealand, and of all the goodness towards us of the people whom you represent. And to you yourselves, their elected representatives, we offer our warmest thanks for all the kindness which you have ever shewn us.

Next week my wife and I will pay our final visit to Western Samoa and the Cook Islands. We look forward to this opportunity to renew friendships and to see something of the progress made in both these countries.

In the international sphere, since I last addressed you concern has been increasingly focussed on South-East Asia. My Government remains convinced of the imperative need for New Zealand to play a continuing part in the collective endeavour to maintain security in this area; only in this way can small countries be assured of the right freely to determine their own future. New Zealand's military and medical assistance to the Republic of Vietnam has accordingly been increased and at the same time substantial forces have been maintained with the Commonwealth Strategic Reserve in Malaysia.

My Ministers remain wholeheartedly committed to a peaceful settlement of the Vietnam conflict through negotiations. No such solution is possible at present, however, as North Vietnam has failed to respond in any meaningful way to repeated proposals for discussions. In these circumstances allied military activity must continue.

The civilian medical unit in Qui Nhon continues to render outstanding service. In addition, a sixteen-man Joint Services medical team will leave shortly for South Vietnam.

My Prime Minister has just returned from Washington where last week he took part in meetings of the SEATO and ANZUS Councils and of the Foreign Ministers of the allied countries which have sent military forces to South Vietnam.

Earlier this month my Minister of Agriculture attended the ECAFE Conference in Tokyo. Aid to Asian countries through the Colombo Plan has been maintained at a high level and New Zealand has participated fully in the initial work of the Asian Development Bank of which it is a foundation member. My Ministers welcome the possibilities for more rewarding relationships opened up by the abandonment of Indonesia's policy of aggression against Malaysia.

My Government continues to play an active role in encouraging the economic, social, and political development of the peoples of the South Pacific. In the case of Western Samoa this activity is reinforced by the Treaty of Friendship which links the two countries. Substantial assistance is still being given to the Cook Islands, to Niue and the Tokelau Islands. A detailed study has been put in hand of the possibilities for the development of the airfield at Rarotonga.

During 1966, as a member of the Security Council, New Zealand had special opportunities to emphasise the need for the United Nations to act with responsibility and deliberation in its efforts to settle international conflicts. This policy will be maintained.

My Government continues to attach importance to the Commonwealth as a valuable international organisation for political consultation and for economic and social co-operation. It therefore regrets current stresses and divisions within the Commonwealth, including the difficulties created by Rhodesia's failure to return to constitutional rule.

A Republic of Botswana Bill and a Lesotho Bill will be presented for your consideration. There will also be amendments to the Cook Islands Act and the Tokelau Islands Act.

In the field of the national economy, internal economic conditions remained buoyant during 1966 and a rapid rate of growth was achieved. New Zealand's farms and factories have continued to expand their capital equipment and their production.

My Ministers considered, however, that if the economy expanded at too fast a rate an insupportable burden would be placed upon the balance of payments. Measures were therefore taken over the last eighteen months to slow down the rate of expansion. Overseas loans were arranged to sustain the proper development of the economy.

In the latter part of last year there were clear indications that these measures were achieving their objective. Unfortunately during recent months the external trading position has deteriorated markedly. This has been due primarily to the unexpected and sharp decline in wool prices and to the passing to the Wool Commission of substantial quantities of the wool offered at sales this year.

The resulting threat to the nation's overseas reserves received the immediate attention of my Ministers. They have kept under constant review the action which might best be taken to safeguard the economic welfare of New Zealand.

In February my Prime Minister announced a series of measures to lessen the pressure on the external balance of payments. In the first instance these would reduce the internal demand which had resulted in a level of imports and of other payments overseas that was higher than could be sustained by export earnings.

Special steps have been taken to check the increase in Government expenditure. In particular all building proposals have been closely scrutinised and many have been postponed in line with the programming of private buildings. The purchase of some defence equipment has been delayed in order to conserve overseas funds.

The recent upward movements in the prices of certain commodities and services are being investigated. My Ministers believe that a reasonable degree of competition is the best way to hold the prices of consumer goods. They will, however, consider the reimposition of price control in particular cases if competition is not operating to a sufficient degree.

My advisers are confident that the measures they have introduced will do much to moderate the previously excessive rate of increase in expenditure in the public and private sectors of the economy. They considered nevertheless that you should be given an early opportunity to discuss these measures and to examine any further steps which may be needed to safeguard the country's economic welfare. Estimates of expenditure for the current year, with related financial proposals, will be placed before you in due course.

The removal of the threat to the nation's external reserves must in large part depend on an increase in exports. It is therefore gratifying that farm production has continued to rise. The target set by the Agricultural Development Conference—an increase of 40 percent in the ten-year period ending in 1972—is being achieved. My Government is conscious of the need to maintain a favourable environment for further increases in farm output for export and it attaches special importance to the work of the Agricultural Production Council. More emphasis is being given to the application of the results of research in everyday farming operations.

Last year the State Advances Corporation again provided a record sum in loans to farmers. There will be some limitation on the amount of money available for lending in the coming year, but priority will be given to farm development projects which will increase production for export. The level of advances under the Marginal Lands Scheme will be maintained.

You will be asked to consider an Agricultural Pests Destruction Bill and legislation to strengthen certain of the provisions governing the registration and use of agricultural chemicals. A measure is being prepared to revise and consolidate the Stock Remedies Act, together with an Animals Bill to take the place of the present Stock Act. The establishment of a price authority to determine the payment to growers for apples and pears will be proposed in an amendment to the Apple and Pear Marketing Act. In addition there will be a Milk Bill and a Poultry Bill.

In the manufacturing field, New Zealand's industries continue to expand the volume and range of their production. Although it will be necessary to reduce the flow of imported raw materials, with stocks on hand sufficient supplies should be available to meet the anticipated level of demand. Encouragement and support will be given to industries which yield the greatest benefit to the nation, particularly those which use New Zealand's own natural resources and which have export possibilities.

In recent years my Ministers have taken special steps to encourage the development of the forestry, fishing, and tourist industries. They are confident that the high level of overseas exchange already being earned by these industries can be further increased and they will give continuing attention to the measures which should be taken for this purpose. Amendments to the Fisheries Act, the Forestry Encouragement Act, and the Forests Act will be submitted to you.

The most pressing problem in the area of overseas trade remains the improvement of conditions of access to markets for New Zealand's export products. My Government will continue actively to pursue New Zealand's interests in both multilateral and bilateral negotiations.

The high expectations which countries largely dependent on the sale of agricultural products carried into the initial phases of the Kennedy Round Tariff Negotiations have not been fulfilled. My Ministers are now considering the extent to which New Zealand should participate in the final exchange of concessions in these complex negotiations.

A revised Trade Agreement has been negotiated with Britain providing for the extension until at least 1972 of New Zealand's rights of access to the British market for meat and dairy products. The implications of Britain's possible entry into the European Economic Community are being kept under close scrutiny.

In his visits to the capitals of the six Member countries last year my Minister of Overseas Trade outlined the need for special arrangements to safeguard New Zealand's position in the enlarged Community if Britain should join. It has been made clear that the special needs of New Zealand cannot be met by measures of a transitional character but will require more permanent and enduring provisions. My Ministers are gratified to know that the British Government have recognised the special requirements of New Zealand's position and have emphasised them in their recent discussions with the Governments of the European Economic Community.

The rate of increase in the demand for electricity for New Zealand's expanding economy remains at a high level, though somewhat below that of the previous five years. Development work and the investigation of new types of generation and transmission will be maintained to ensure that the needs of consumers are met. The preparations for the use of nuclear power are continuing and already some staff involved in the initial planning are receiving specialised training overseas. During the session you will be asked to consider a consolidation and revision of the main legislation under which the Electricity Department operates.

My Ministers recognise that full use must be made of technological advances in the different fields of transportation, in so far as they can be applied to New Zealand conditions. The policy of re-equipping the railways has been maintained and increasing use is being made of specialised wagons for handling specific commodities. A Railways Amendment Bill and a Transport Amendment Bill will be introduced for your consideration.

A Carriage by Air Bill, proposing substantial increases in the compensation payable by internal airlines to accident victims, will be submitted to you.

The previous Parliament gave very earnest consideration to the tragic loss of life in road accidents in New Zealand. The findings of a Select Committee formed the basis of measures which are now law.

Methods of ensuring that these measures will achieve their full impact and the possible need for additional provisions will continue to receive the constant attention of my Ministers. They believe, however, that in the final event a reversal of the ominous rise in the toll of life on New Zealand roads rests with the individual driver and that this in turn depends on the extent to which his actions can be influenced by public opinion.

In the field of industrial safety my Ministers will propose a revision of the Bush Workers Act and an amendment to the Construction Act to increase penalties for offences where the safety of employees is involved. You will also be asked to consider legislation giving effect to certain of the recommendations of the Commission of Inquiry into Vocational Training.

A White Paper on school and university population projections up to the year 1980 will shortly be submitted to you. My Government believes that this will assist in forward planning and will lead to a wider recognition of the magnitude of the demand for buildings and other educational facilities at all levels in the years ahead. An Education Amendment Bill and a Bill to amend the Education Lands Act will be introduced during the session.

My Ministers propose to put before you a number of measures in the field of social welfare. These will include Bills consolidating and amending the Mental Health Act, the Child Welfare Act, and the Food and Drugs Act. You will also be asked to validate recent increases in Social Security benefits and war pensions.

My Government will continue by all available means to advance the welfare of the Maori people. It will give due attention to the development of Maori land, to improved housing for Maori families, to the apprenticeship training schemes, and to the city pre-employment courses. A Bill to amend the provisions of the Maori Affairs Act 1953 and other special Acts relating to Maori land will be introduced early in the session.

You will be invited to give further consideration to a Bill revising the law governing bankruptcy and other forms of insolvency. This measure, which was introduced during the previous Parliament, has been amended following discussions with interested parties. The provisions of a Bill to provide aid in civil proceedings to persons of modest means are also being reviewed before the proposal is again submitted to you.

My Ministers anticipate that during the forthcoming session you will complete the consideration of the Electricity Distribution Commission Bill, the Rating Bill, and the Water and Soil Conservation Bill, which have been studied by Select Committees during the Recess.

A Trustee Companies Bill is being drafted to bring together and to revise the separate Acts relating to these companies.

My Government proposes to introduce legislation providing for referenda on the term of Parliament and on hours for the sale of liquor in hotel bars. There will also be a measure to extend the jurisdiction of the Ombudsman to some local bodies which derive revenue principally from Government grant. A review is being made of the Local Government Commission Act.

There has been good progress in the development of plans for the formal establishment of a maritime park in the Hauraki Gulf and for the control of the islands which will constitute the park. My Ministers are also formulating proposals for the reservation of certain areas around Lake Taupo. A Committee has been established to consider the best way of commemorating the bicentenary in 1969 of Captain Cook's first landing in New Zealand.

My Ministers have paid close attention to the plans for the introduction of decimal currency on 10 July. You will be asked to give early consideration to a Decimal Currency Bill which will complete the legislative changes that are necessary for the changeover to dollars and cents.

In order to provide for the further development of broadcasting and television services, my Ministers will submit to you a Bill to establish an independent licensing authority to consider applications for additional stations and to supervise programme standards.

Among other measures which will be placed before you this session there will be a Post Office Amendment Bill, a Superannuation Amendment Bill, a Sale of Liquor Amendment Bill, and a Soil Conservation and Rivers Control Amendment Bill, together with proposals to amend the Local Authorities Loans Act, the Valuation of Land Act, and the Town and Country Planning Act.

I commend these matters to your careful consideration and I pray that the guidance of Almighty God will bestow its blessing on your deliberations.

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