



THE NEW ZEALAND GAZETTE EXTRAORDINARY

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THE Third Session of the Thirty-seventh 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

As I exercise Her Majesty's prerogative in opening this third Session of the 37th Parliament, you are doubtless all reminded of The Queen's gracious presence here a year ago when She and other members of the Royal Family came among us for a few weeks to meet her New Zealand people and to recall our traditions both as a nation and as a member of the Commonwealth.

We are today also sadly reminded of the absence from this place of the late Prime Minister, the Right Honourable Norman Kirk, who died on 31 August 1974. His death was a great loss to the country and Parliament but the smooth transition of authority within the Government showed the strength of our system.

In the two years since I last had the privilege of opening this Parliament New Zealand has experienced, like many other countries, tremendous changes and at a pace which our forefathers would have found unbelievable.

The economic and social challenges of today are compounded by the world crisis in energy supply and sharply escalating prices for almost all our imports. We face them as a diverse but essentially united country with a heritage of hard work, an understanding of sacrifice and compassion for the less fortunate.

1975 will be a difficult year. Events overseas have had severe consequences for New Zealand. The recession in New Zealand's major overseas markets has caused a sharp drop in returns from wool and

meat and most other primary exports. At the same time, inflation in the industrial countries continues to increase the prices New Zealand must pay for essential imports. This deterioration in the terms of trade has reduced the real income of the community. Activity is being maintained only by using our international reserves and replenishing these by heavy overseas borrowing; however, the present level of borrowing cannot be sustained.

The Government will be pursuing policies designed to adjust the economy while we improve our trading position. The present situation requires a reduction in expenditure on imported goods to help offset our lower export earnings. In the coming year wage and fiscal policies will be important in not only determining levels of remuneration but also in spreading the burden of adjustment throughout the community. The Government will shortly outline further steps it intends to take and will continue to seek the co-operation of all in these troubled times.

The policies of the Government will be designed to meet the challenges ahead in an equitable manner as well as enabling all New Zealanders to lead full and satisfying lives. These twin objectives can be attained only by having faith in New Zealand's future, by working together and by avoiding self-indulgence and wasteful and divisive practices—in short, by exercising restraint and commonsense.

Every New Zealander should be able to enjoy a just, humane, and culturally rich society to which all sections of the community contribute in security, freedom and dignity. Provision for the highest possible level of employment and an acceptable standard of living for all our people continues to be the goal of the Government.

New Zealand cannot live in isolation. Its well-being depends greatly upon the achievement of a sane and fair international order. The Government, following its own independent judgment and in co-operation with others, will work for an international community which enables all peoples to achieve their reasonable aspirations. New Zealand will continue to support a more effective role for the United Nations. It will continue to seek and promote a treaty to ban all nuclear tests and for other measures to control and eventually eliminate weapons of mass destruction. It will pursue its attempt to secure agreement on establishing the South Pacific as a nuclear-free zone.

The Government reaffirms its belief in the need for well trained and effective armed forces able to help the civil community—whether in New Zealand or overseas—and to contribute to United Nations peace-keeping operations.

As a Pacific nation, New Zealand must accord priority to its immediate neighbourhood. The Government will continue to give special attention to the needs and aspirations of the island peoples of the South Pacific. It is ready, in partnership with their Governments, to embark upon further initiatives to strengthen regional co-operation in transport, trade, industrial development and other fields.

New Zealand will seek new and wider areas for co-operation with its Asian neighbours. It aims to establish a firm basis for political and economic consultation.

In its determination to seek out new relationships in every part of our changing world, the Government has established improved links with

countries offering the prospect of substantial new trade without displacing old and established relationships. The Middle East, China, the Soviet Union, Eastern Europe and Latin America have become important areas of concentration for New Zealand's political and economic diplomacy.

This effort will continue, along with the promotion of our trade with major historical markets. An immediate objective is to secure a satisfactory basis for continuing sales of our dairy products in the European Community beyond 1977. The Government will also take a full part in the multilateral round of tariff negotiations under the GATT.

The exploration and development of New Zealand's own energy reserves have gained an added importance as a result of the energy crisis. This has intensified existing world problems of slow growth and severe inflation and added to balance of payments disruption, monetary instability and high energy and fertiliser costs throughout the Western world. Therefore, the Government has, in encouraging the search for oil, negotiated agreements with several petroleum licence holders which will give the people of New Zealand a controlling interest in the development of commercial discoveries.

Further positive steps are being taken to develop the Maui field, to accelerate the Kapuni field's output and to expand research.

It will be the Government's policy, when granting petroleum prospecting licences in the future, to take options to participate in the development of petroleum discoveries.

The Government intends also to accelerate the programme to establish more accurately the nation's coal reserves and it will be seeking co-operation from the whole community in moves to improve economy and efficiency in fuel usage.

The answer to our balance of payments problem lies as much in expanding the volume of exports as in reducing the consumption of imports. The Government aims to give all necessary assistance and incentives to promote exports in both the manufacturing and farming sectors.

Through a series of industry reviews, an examination will be made of each industry's development needs in terms of its capital research, personnel training and protective requirements. While improvements will be made to the financial and supporting and advisory services available, the Government is confident that manufacturers themselves can and will do much to improve their own performance.

The Government will continue to stimulate and maintain a condition of free and fair competition. Accordingly, you will be asked to reconsider the Commerce Bill which aims at freeing trade from artificial impediments and so improving its efficiency and productivity for the benefit of consumers, business concerns in general and the economy as a whole.

The measures announced earlier this year for assisting the farm sector are designed to maintain New Zealand farmers as healthy and competitive exporters and to reduce the impact of any future sharp changes in export returns.

The Government regards the establishment of a broad scheme to even out fluctuations in farm prices and incomes as a matter of prime importance and will do its utmost, in co-operation with representatives of the industries concerned, to devise an equitable system of stabilisation. A comprehensive report on this matter has been submitted to the Government by the Farm Incomes Advisory Committee. This report has been distributed to the Producer Boards and Federated Farmers for examination and discussion.

Recognising the importance of adequate finance for farmers and rural industries, the Rural Banking and Finance Corporation will be provided with the necessary funds to meet the needs of this vital sector. Finance will continue to be available to carry out expanded policies for settlement of young farmers, farm development programmes and purchase of stock and plant by sharemilkers. In addition, loans will be available for debt restructuring where existing commitments are hampering efficient farmers from maintaining productive capacity or further developing the potential of their properties.

The Government intends to bring down legislation to implement some of the more important recommendations of the Commission of Inquiry into the Meat Industry, namely the establishment of a Meat Industry Authority and certain changes in export licensing procedure.

The Government believes that New Zealand land should remain in the ownership of New Zealand citizens or persons permanently residing in New Zealand. Legislation will be amended to provide closer control and scrutiny of all overseas purchases of land, and only where clear benefit to the nation can be shown will approval be granted to land purchase by overseas interests.

In line with the Government's policy of preserving the integrity of national parks and reserves, the legislation relating to the administration of reserves is being amended to provide more adequately for present-day needs. In addition, new legislation will be introduced during the Session to establish the New Zealand Walkway System, a network of tracks throughout the country enabling people to have safe, unimpeded foot access to the countryside for the purposes of recreation and to facilitate enjoyment of the natural outdoor environment.

Planning is well advanced for the further expansion of the Employment Service this year to enable more effective placement and training. A new system of apprenticeship training designed to better meet the demand for skilled tradesmen will also be introduced.

The Industrial Relations Council is presently discussing some sections of the Industrial Relations Act which, experience has indicated, might need amendment. The Council is also giving the formulation and implementation of active labour market policies a high priority.

A major review of industrial legislation, the Factories Act, Shops and Offices Act, Machinery Act and the Construction Act will be carried out this year. As well as consolidating various amendments, the amalgamation, where appropriate, of several Acts into one Act will provide a more positive approach to accident prevention by employers and employees.

The Government desires to promote good industrial relations in the waterfront industry and to improve the efficiency of cargo handling

operations. You will be asked to consider a Bill to amend the Waterfront Industry Act 1953.

The Government will continue to promote co-operation and co-ordination between all transport modes with a view to making the best use of available resources. To this end the Government Committee on Transport Co-ordination is currently hearing submissions on the consultative document "A New Direction for New Zealand Transport".

It is the Government's intention to retain 50 miles per hour as the upper speed limit in the interests of safety and fuel conservation. However, the matter will be kept under review. Government will continue to examine all traffic safety measures and will ensure strict enforcement of traffic laws to combat dangerous and careless driving.

The active participation of the Maori people in improving their affairs in land, housing, social and cultural needs has and will continue to receive the Government's encouragement. The report of the Commission of Inquiry into Maori Reserved Lands will be tabled shortly. Consideration of the report of the Royal Commission into lands in the Taupo area is underway and legislation will be introduced to give effect to its recommendations.

In keeping with the Government's policy the reconstitution of the Department of Maori Affairs from 1 April will make possible the further advancement of the Maori people as well as meeting the needs of peoples from the Islands permanently resident in New Zealand.

Housing will continue to have a high priority and, with the Housing Corporation now established, the Government is better geared to meet both the short-term and long-term requirements of the country in this regard.

The Housing Corporation, Maori housing and departmental building programmes will be maintained at least at the same level as last year with the aim not only of adding to the country's stock of houses but also of providing continuity of work for the building industry.

An increased number of Housing Corporation loans will be made available with the primary object of increasing the number of houses built.

Loan limits will be kept under constant review and the Housing Corporation will prepare contingency plans for a larger Government involvement in the house building industry should the employment situation in the industry ease significantly.

A close watch will be kept on the level of mortgage investment by the private sector to ensure that there is a steady flow of money from this source into the housing industry.

To ensure a continuing supply of reasonably priced sections, the Government will place even greater emphasis on the acquisition and development of residential land.

As a further important step in clarifying the structure and functional role of local government and enabling it to meet present and future requirements, a Local Government Bill will be introduced, revising the

constitution and functions of territorial local authorities. This legislation will combine and bring up to date the present Municipal Corporations and Counties Acts, and incorporate the Local Government Act 1974.

The Government intends to introduce early in the session a Bill reviewing the funding of the fire services, aimed at reducing substantially the share borne by ratepayers, and spreading costs more equitably. Discussions are being held with affected parties to examine the administrative and financial implications of nationalisation of the fire services.

The Government is determined to improve the health services of New Zealand. It has issued a White Paper entitled "A Health Service for New Zealand" setting out the principles for a major restructuring of our health services. Submissions have been invited on the proposals and progress towards reorganisation will proceed through consultative groups. It is intended that necessary legislation will be introduced to Parliament during the 1976 session with a view to implementation on 1 April 1978.

You will be asked to consider a Bill to provide financial and other assistance for the disabled and handicapped. The Bill will provide support services for the rehabilitation of disabled people and will give assistance to voluntary organisations concerned with providing welfare facilities, sheltered employment and day care of the physically and mentally handicapped.

The Government will continue to implement its policies for the improvement of education. Particular emphasis will be placed on early childhood and continuing education.

Should the current negotiations lead to a fair and just conclusion, provision will be made for the introduction of the proposals as outlined in the report of the State Aid Conference Steering Committee for the conditional integration of private schools into the State system.

The final recommendations of the Educational Development Conference will be carefully considered with particular reference to its proposals for the reorganisation of the education system, for the in-service training of teachers and for those who have special educational needs.

Legislative proposals arising from the recommendations of the Royal Commission on the Sale of Liquor will be presented for your consideration.

A parliamentary committee is considering amendments to the electoral law and its recommendations will form the basis of legislation during the session.

You will also be asked to consider a Bill to control the use of listening devices and to deal with other aspects of privacy. Legislation will also be introduced to provide for the establishment of small claims courts.

In the latter part of 1973 and early 1974, Ministers were concerned about the exceptionally high numbers of immigrants. Steps were taken then to exercise greater control and a continuing close watch is being kept on the level of immigration in the light of our employment and housing situation.

However, tourists from overseas will continue to be encouraged to visit our country and so augment overseas earnings. At the same time, it is the Government's aim to provide family accommodation for New Zealanders at resort areas. Both objectives will be carried to the maximum level compatible with sound environmental principles.

Recreational and cultural opportunities will be widened to enable the whole community to take greater advantage of their leisure time. Finance will again be made available to assist more people to engage in a wider range of recreational activities, and the Government proposes to provide financial incentives to encourage the fuller community use of new recreational facilities in schools.

Honourable Members, I commend all these matters to your careful consideration and I pray that Divine Guidance will attend your decisions.

