



THE NEW ZEALAND GAZETTE EXTRAORDINARY

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THE First Session of the Thirty-eighth 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

You meet here today as members of the thirty-eighth Parliament. It is a privilege for me to exercise the prerogative of Her Majesty The Queen in opening this the first Session.

In doing so it is fitting that I should refer to the projected visit of The Queen and Prince Philip to New Zealand early next year. I am sure that all New Zealanders are anticipating the visit with great pleasure: and all the more so as the occasion will mark the twenty-fifth anniversary of Her Majesty's accession to the Throne.

Today we are reminded sadly of the absence of the Honourable Sir Stanley Whitehead who died on 9 January 1976. Sir Stanley served Parliament well both as Speaker of the House and as a member. His death brought to an untimely end more than 18 years of faithful service to Parliament and his country.

At the General Election last November, the people of New Zealand elected a new Government to manage the affairs of the country. That the transition of Government occurred smoothly and with dignity is a tribute to our community and serves to strengthen the firm belief we hold in our system of democracy.

The Government's first priority is to reduce the balance of payments deficit to a level that New Zealand can afford. Some measures to achieve this have been taken already. These include steps to restrain the Government's own expenditure which will help to reduce the overall level of spending and have a significant impact on imports.

The Government will ensure that adequate incentives continue to be made available to exporters. There has been over recent months an encouraging increase in export receipts brought about by renewed economic growth in a number of overseas markets as well as the impact of devaluation of the New Zealand dollar. However, grounds for concern still exist in relation to trade access for our products in the major industrial countries.

The second major problem is inflation. There has been a substantial increase in prices. A significant part of this is of a once-for-all nature, brought about by the recent removal of subsidies on a range of consumer goods. Another major factor has been the rise in the prices New Zealand has had to pay for imports. The Government expects that, as these factors recede, the rate of inflation will reduce significantly in the second half of this year.

The achievement of these two goals—a reduced rate of inflation and a balance of payments deficit of manageable proportions—will provide a sound base for further economic and social development.

The Government will ensure that while the economy is restrained sufficiently to bring both the external account and the rate of inflation back to a reasonable level, these policies will be implemented in such a way as to minimise any increase in unemployment.

Over recent years the State has played an increasing part in our economy. The Government believes that its role has now become too dominant and that it is in line with the will of the people that this trend be reversed. The reduction in the rate of growth in Government spending announced recently, and the changes in the interest rate policy implemented earlier this year, have been a start in this direction.

The Government will re-establish an effective system of economic and social planning. An experienced team has already been set up to review the National Development planning system and the consultative function of the Sector Councils. The Government will also promote the effective linking of national and regional planning.

A confident and expanding farming industry is essential to New Zealand's continued prosperity. The new Government took immediate steps to extend the fertiliser application bounty from 31 December 1975 to 30 June 1976. At the same time it put into train an extensive survey of the livestock industry to identify the factors which have led to a stagnation in livestock production over the past 6 years. The Government is considering what measures could best be taken to reverse this trend and provide farmers with the incentives needed to obtain increased production.

One of the more pressing problems has been the quest for a greater measure of stability in farm incomes. Following negotiations with the meat and wool industries, the Government announced recently the introduction of separate schemes to stabilise income from meat and wool by means of price smoothing operations. A Meat Export Prices Stabilisation Bill will be introduced to give effect to the meat stabilisation proposals while the wool industry proposals are being dealt with by means of regulations under the Economic Stabilisation Act 1948.

Parliament will also be asked to consider further the Meat Amendment No. 3 Bill which provides for a Meat Industry Authority and which is at present before a Select Committee.

The control and eradication of noxious plants is a costly burden on farmers and also an inhibiting factor in increasing production. The Government intends to introduce a Noxious Plants Bill which will replace the Noxious Weeds Act 1950 and which will implement the recommendations of the 1973 Committee of Inquiry into Noxious Weeds Administration.

Other measures to assist the farming industry will also be required and suitable action will be taken. In approaching future measures, particular attention will be paid to ensuring that there are added incentives to reward farmers for increased production.

The Government regards as important the development and conservation of fisheries resources as a future source of export earnings and is actively supporting proposals for an extended fishing zone at the International Law of the Sea Conference. The Government will, in consultation with the industry, formulate a programme of development to provide for the effective utilisation of this resource. The Government is active in its promotion of marine farming and an amendment to the Marine Farming Act 1971 will be introduced to assist in this development.

Grapewine producers have recently established a Wine Institute and legislation will be introduced to allow the institute to collect levies from members of the industry.

To assist the nation's economy export industries based on forest resources will be encouraged and the Government will maintain a continuing programme of exotic forest establishment. Legislation will be prepared to ensure the balanced use of indigenous State forests.

The Government's overseas trade policy will aim primarily to establish favourable conditions for a renewed growth in export earnings.

The development of export markets, both new and traditional, will be pursued vigorously with Government assistance being provided where it is essential to assist growth. Current promotional programmes will also be reviewed to ensure the most effective use of resources.

In the field of bilateral negotiations, every effort will be made, not only to secure satisfactory terms of access to traditional markets for dairy products, meat, and manufactured and processed goods, but also to build on the developing trade relations with the countries of the Middle East, with China, with Asian and Pacific countries, and with the Socialist countries of Europe. Every effort will be made to inject new vitality and direction into the trading relationship with Australia.

New Zealand's participation in the GATT multilateral trade negotiations and in the work of international organisations relating to trade and economic development will be maintained. Consistent with its own trade interest and with the resources available, New Zealand will play its part in international efforts to expand the trade of developing countries.

Towards its island neighbours in the South Pacific the Government accepts that it has special responsibilities. It recognises the significance of their future, as well as New Zealand's future, in the region and will take new steps to promote their development. As part of this objective a Bill will be introduced to provide the Tokelau Islands with a 3-mile territorial sea and a 9-mile fishing zone.

This will be a year of consolidation for the development aid programme. Further expansion should be possible as New Zealand's own economic position improves.

In addition to introducing legislation to amend the Commerce Act 1975 the Government will introduce legislation to promote safety standards for the protection of consumers.

In recognition of the important contribution of the small business to the well-being and vigour of the New Zealand economy, the Government will also introduce legislation to establish a Small Business Agency.

It is the Government's policy to recognise tourism as a first-tier industry. Record exchange earnings of \$143 million for the year ended March 1976 have established tourism as a significant invisible export, challenging some of the traditional sources of export income. To further expand its capacity to contribute to New Zealand's economy, increased effort is being directed to overseas promotion, training, and incentives for the expansion of accommodation and other facilities.

The Tourist Hotel Corporation Act 1974 will be amended to exclude provisions permitting undue Ministerial intervention and a new directive will restore the Corporation to the role for which it was established.

The Government is conducting a complete review of New Zealand's energy options to ensure the most efficient and economic use of both imported and indigenous resources.

An active conservation policy will be continued and an amendment to the Electricity Act 1968 will clarify this aspect of the New Zealand Electricity Department's functions.

The Government has announced that it will establish a public inquiry to investigate all aspects of a possible nuclear power programme for New Zealand, and no decisions will be taken until its findings have been reported.

The Government announced recently its policy of participation in exploration for petroleum. In future there will be no Government contribution at the prospecting stage but it will be a condition of all licences that the Government will reserve the right to a 51 percent share in any commercial discovery.

The Government recognises that the maximum use possible of high quality science and technology is increasingly important because of the effects of the energy crisis, the trend to more processing of agricultural and other resources, the need for greater industrial self-reliance, and public concern about the environmental and social changes of development.

Collaboration between universities, technical institutes, industry, and Government laboratories will be fostered to ensure the effective application of science and technology.

The Government will foster regional development by encouraging the best use of regional resources, within the context of total national planning. Special emphasis will therefore be given to the slow growth regions where the views of local people, through the Regional Development Councils, will continue to be sought. A new portfolio of Regional Development has already been created to ensure that these aims are met.

Fundamental to the Government's social policy is its concern for the welfare of people and its firm belief that the family is the basic unit of our society.

To assist in ensuring that New Zealand's social development and social welfare policies are compatible with all that is best in family life the Government has established a Cabinet Committee on Family Affairs. This committee will examine all new legislation and review existing legislation in this field to make sure that no measures are included that will run counter to the interests of family life. The committee will also assess proposals and suggest legislation for policy aimed at strengthening family life.

The Government will maintain the rule of law. It will ensure that the Police have the manpower and resources to meet the demands placed upon them.

The law relating to misbehaviour in public places will be consolidated and modernised. Where necessary, the law will be made more clear so that the rights of society will be properly protected.

To help preserve law and order, measures will be introduced under which the Minister of Immigration will have authority to order the return to their homelands of immigrants convicted of offences punishable by imprisonment.

The crucial emphasis of the joint responsibility of the public and the Police for curbing and detecting crime will be promoted, and assistance will be given the Police to expand community related services in order to reduce the causes of potential disorder.

The Government proposes to proceed with the Wanganui Computer Centre Bill which was introduced last year. The Bill will establish a completely separate computer system designed primarily to aid the Departments of Police and Justice and the Ministry of Transport to carry out effectively their roles in relation to the law and the administration of justice.

A major objective of the Bill is to ensure that the computer system makes no unwarranted intrusion upon the privacy of the individual. It will place strict controls on the use of the computer system and establish a Privacy Commissioner with wide powers to inspect the system and to investigate complaints about it from individuals.

Proposals for a Human Rights Commission are being formulated and a Bill will be introduced for recess study.

Arising out of the recommendations of the Royal Commission on the Sale of Liquor in New Zealand there will be legislation to provide for an Alcoholic Liquor Advisory Council.

The provision enacted last year providing for automatic suppression of an accused person's name before conviction will be repealed. Legislation is also proposed to put into effect Law Reform Committee recommendations relating to preliminary hearings, the effect of divorce on a will, and insurance contracts.

The Government is committed to maintaining as high a level of employment as possible within the constraints faced by the economy. It is necessary to recognise, however, that existing economic conditions preclude a general reflation of the economy and that job-creating measures will have to be highly selective, emphasising activities which are labour intensive and import saving.

Controls imposed to reduce the net immigration gain to a level more in keeping with the economy's ability to absorb immigrants have been substantially successful. These controls will continue but not so as to prevent family reunification or to exclude humanitarian considerations.

Government recognises that immigrants from the South Pacific require preparation for life in New Zealand. Greater emphasis will therefore be given to providing pre-departure and post-arrival training and orientation programmes for these immigrants.

In the fields of housing and social welfare people from the Pacific Islands will also receive assistance.

Several important changes are contemplated in the area of industrial relations. The Government intends to devise ways of improving industrial democracy, and to this end legislation will be introduced giving workers the right, in a secret ballot, to determine whether membership of the union covering them should be within the "unqualified preference" or voluntary.

The Government will reintroduce penalties for unlawful industrial action against the public interest and for breaches of the Industrial Relations Act 1973.

The difficult question of redundancy will be reviewed with a view to introducing legislation providing for reasonable compensation to, and the placement of, redundant workers.

Attention will also be given to promoting higher standards of industrial safety.

The provision of good housing for everyone has a high place in the Government's objectives. It is introducing policies that will promote the full utilisation of existing accommodation while at the same time maintaining an efficient building industry adequately equipped with labour, materials, and finance.

Among its earliest decisions the Government set new housing targets which restored confidence to the industry and made financial arrangements to ensure that these targets would be met. The changes in interest rate policy which allowed independent financial institutions to compete more freely for deposits, should help them provide an increasing proportion of housing finance.

The Government plans to take further initiatives to encourage a greater participation by the private sector in the provision of housing and its capital needs.

Legislation will be introduced this Session to amend the National Housing Commission Act 1972 and to provide for a building performance guarantee scheme.

It is essential, if we are to have a health service as distinct from a sickness service, that appropriate and adequate facilities are readily accessible to everyone. The Government recognises the need to improve health services and to bring them closer to the people by extending them into the community. To implement this policy a Special Advisory Committee on Health Services Organisation has been established to investigate and make recommendations. Professional and other

organisations in the medical field are being encouraged to make submissions to the Special Advisory Committee, as well as to participate more generally in the improvement of the health services.

Although this year is a period of restraint in education spending, the Government will continue to explore a number of important long-term policy developments. It will shortly be setting up a Committee on the Registration of Teachers. This could affect the statutory provisions of the Education Act 1964 relating to the registration and deregistration of teachers.

A phased programme for the voluntary integration of private schools will be developed. A review of the Education Act 1964 will be undertaken: its main principles are not in doubt, but the review will provide an opportunity to bring forward proposals after consulting interested parties. There will be a short Education Amendment Bill.

You will be asked to consider a Bill to provide for the introduction of the Government's national superannuation scheme. National superannuation will be paid to New Zealand residents of 10 years' standing who are aged 60 or over. It will replace the present age benefit and universal superannuation benefit and will not be subject to any means or income test. The scheme will be phased in over a 3-year period and the rate of national superannuation will be increased progressively during the phase-in period until the married couple rate reaches 80 percent of the average ordinary-time wage. The New Zealand Superannuation Act 1974 will be repealed.

The Government will give full attention to meeting the special needs and traditions of the Maori people including Maori land development operations, Maori housing, social welfare activities, and the special trade training schemes for young people.

It is intended that legislation be introduced this year giving effect to the wishes of the Maori people for a return to the designation of Waitangi Day for the anniversary of the signing of the Treaty.

The Government's prime aim in transport is to co-ordinate all services and facilities to obtain the best utilisation of resources for the benefit of the consumer.

The Government believes that the transport user must have a greater choice of mode for the carriage of his goods. Detailed investigations are being carried out into the recommendations of the New Zealand Transport Policy Study with a view to removing some of the legislative restrictions on competition between road and rail transport.

The Government has further reviewed railway freight rates and approved increases to bring the charges more into line with operating costs.

A contract has been let to provide passenger accommodation on G.m.v. *Aratika*. It is planned to have the vessel back on the Wellington-Picton service in time to cope with the Christmas holiday traffic.

The Government will place continuing emphasis on the modernisation of telecommunications and postal services as a vital area for the nation's economic and social progress. Steps have been taken to establish a Communications Commission which will provide advice and assistance in a field of rapid technological change.

The Government is engaged, in close consultation with the Broadcasting bodies, in a review of the broadcasting system with the aim

of strengthening the powers of the central broadcasting organisation and improving administrative and economic efficiency.

The Government will establish a National Trust which will co-ordinate the separate land protection, recreation, and open-space responsibilities of the National Parks Authority, the Department of Lands and Survey, the Forest Service, the Historic Places Trust, and local and regional authorities.

Because of the adverse social and economic impact of land aggregation upon local communities, it is intended to review completely this year the Land Settlement Promotion and Land Acquisition Act 1952.

Proposed amendments to the Public Works Act 1928 will give effect to the Government's undertaking to improve compensation arrangements for properties taken for public works.

The Government plans the early introduction of a major revision and consolidation of the Town and Country Planning Act 1953. It intends to give effect to many of the recommendations of the earlier Review Committee (set up in 1972). The Government wishes to see regional planning strengthened and related more directly to Government's economic, social, and development policies.

New Zealand is in a most fortunate environmental position. Aware that this situation will be retained only with sound environmental management, the Government is determined that policies to safeguard the environment should continue to be implemented despite the economic pressures faced.

The Government believes that an essential ingredient of local government is the ability of those affected to determine the manner in which local affairs shall be managed. A Bill amending the Local Government Act 1974 will be introduced to give effect to this view and other aspects of Government policy on the organisation of local government.

A Bill will also be introduced to extend the provisions of the Rating Act 1967 so that differential rating can be applied to rates other than general rates.

There is a clear need to revise the legislation on New Zealand citizenship and the control of aliens. A Bill will be introduced to this effect.

International issues will be approached realistically and in accordance with principles that reflect New Zealand values. Policy will be based squarely on the United Nations Charter. The Government totally rejects all doctrines of racial discrimination. Proliferation of nuclear weapons and their testing will continue to be opposed.

Consultation with Australia will be close. Our friendship with the United States will be maintained and strengthened, co-operation with European and Asian countries further developed, and promising relations with other areas actively pursued.

The Government will continue to adhere to a policy of collective defence which provides for the protection of New Zealand's security interests. It will maintain forces capable of operating with our allies at a level appropriate to New Zealand's resources. During this Session the Government will introduce legislation designed to improve the conditions of service, and thereby the effectiveness of the armed forces as a whole.

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