In view of her position under the trusteeship agreement, New Zealand must continue to hold general reserve powers of legislation and of disallowance of local legislation. But this necessary reserve power will not restrain the exercise of a real initiative and responsibility by the new Samoan legislature.

In regard to finance, control would be vested in the Legislature, but measures dealing with financial matters or involving expenditure would only be introduced with the consent of the Administrator. The audit of the finances of the territory would continue to be made by the New Zealand Controller and Auditor-General.

GOVERNMENT OF WESTERN SAMOA

In future it is proposed that the title "Administration of Western Samoa" should be replaced by that of "Government of Western Samoa." This might require a number of other consequential changes, such as a change in the title of "Secretary to the Administration" to that of "Chief Secretary."

FONO OF FAIPULE

The Fono of Faipule, or Samoan Advisory Council, which consists of forty-one district representatives, would remain constituted as at present; its principal function being, in addition to that of nominating the Samoan members of the legislature and the holders of various other offices, to keep the Government and the Legislature aware of the opinions of the people in the outer villages.

SAMOAN PUBLIC SERVICE

The Samoan Public Service would be removed from the control of the New Zealand Public Service Commission, and an independent Public Service authority would be appointed in Samoa. It would be the special function of this new authority to find means of promoting local people, both Samoan and European to positions of responsibility as quickly as possible. In this connection both the New Zealand Government and the Samoan leaders are aware that promotion of local Civil servants to the higher posts depended upon our ability to push forward, as rapidly as possible, with our proposals for giving specialized training to officers already in the Samoan Public Service, and for providing young Samoans with the best possible education.

PROFITS FROM REPARATION ESTATES

The Prime Minister declared during his visit to Samoa that he believed that in future all the profits made by the New Zealand Reparation Estates should be used for the benefit of Samoa. Many grants had been made from the New Zealand Treasury for the construction of roads, for the establishment of scholarships, for the building of a broadcasting-station, and for other purposes. It was intended to continue this practice and, possibly, to give it some legal form by the establishment of a Samoan Development Fund, to which the profits of the Reparation Estates would be paid and from which grants would be made.

OTHER QUESTIONS

There are, in addition, certain proposals of less immediate importance, which the Government wishes to discuss with the representatives of the people of Samoa during the coming year. One of these is the question of Samoan status. The Samoans are anxious that any risk of an eventual clash of interests between persons of Samoan status and persons of European status shall be avoided. They hope, instead, that all those who regard Samoa as their permanent home will gradually move towards the possession of a common status. Another question which the Government wishes to see discussed is