The industrial development of both Australia and New Zealand that has taken place as a result of the second world war has brought a realization of the need for a closer examination of the economic policies of both countries. Preliminary discussions have already been held on Ministerial and specialist levels to examine the possibility of more integrated economic programmes and a rationalization of their industrial projects to the mutual satisfaction of both countries.

The current of world events, and particularly of Pacific events, clearly provides every justification for the maintenance of the closest ties between Australia and New Zealand.

THE PACIFIC

1. South Pacific Commission

The South Pacific Commission is a working model of co-operation between the six Powers administering Native peoples in the South Pacific area. Its aims and purposes have been outlined and the steps taken by the sponsoring Governments on its establishment have been dealt with in the last two annual reports. Two sessions of the Commission have now been held. The Commission is now established in Noumea and has already begun its work.

The first session was held in Sydney in May, 1948, although two of the participating Governments, France and the Netherlands, had not then ratified the agreement establishing the South Pacific Commission. New Zealand was represented by Mr C. G. R. McKay, formerly Secretary of the Department of Island Territories, and Brigadier F. L. Hunt, formerly Quartermaster-General of the New Zealand Army. This session was concerned solely with the internal organization of the Commission. Rules of procedure were adopted; the establishment of the Secretariat and of the Research Council were decided upon; and the participating Governments were invited to submit nominations for the posts of Secretary-General, Deputy Secretary-General, and Deputy Chairman of the Research Council. Further, a Working Committee was appointed to carry on the work of the Commission between sessions, one of its most important tasks being to visit Suva, Fiji, and Noumea, New Caledonia, in August and September, 1948, to report on the relative suitability of these towns as a permanent seat for the Commission.

Mr R. H. Wade, Assistant Official Secretary, Office of the High Commissioner for New Zealand, Canberra, was New Zealand's representative on the Working Committee. Mr W. D. Forsyth,