in fundamental characteristics and in the stage of development which they have reached. While the Australian and New Zealand Governments recognized that this division tends to increase the difficulty of regional co-operation, they were convinced not only that there are many problems susceptible of treatment on a regional basis, but also that the mere interchange of experience will be of great value. Additionally, the South Pacific Commission will establish research facilities which it would be beyond the capacity of certain of the individual territories to provide for themselves.

- 7. With the cessation of hostilities it was possible to take further steps with a view to implementing the provisions of the Canberra Agreement. Accordingly, following upon discussion at the meeting of the British Commonwealth Prime Ministers in London in May, 1946, the Governments of the United States, France, and the Netherlands were asked by the Australian and New Zealand Governments to indicate whether they desired to support the proposal for the setting up of a Commission. These Governments, all of which have direct territorial interests and responsibilities in the area, expressed their willingness to attend a Conference for the purpose of establishing such a body in the South Pacific.
- 8. All Governments, including the inviting Powers, were in agreement that the proposed Commission should be an advisory body, which would act in a consultative capacity for the Governments concerned in regard to the promotion of Native welfare and the social and economic development of the inhabitants of the territories concerned. Australia and New Zealand, as sponsoring Powers, also made it clear that any consideration of political or security matters was excluded. The invitation proposed that the functions of the Commission would be to advise member Governments on such questions as co-operation in regard to health services and education, the maintenance and improvement of standards of Native welfare, research in economic, social, and anthropological fields, and in regard to material development, as, for example, expansion of production, communications, and marketing.
- 9. It was particularly appropriate that Australia and New Zealand should, on their own initiative, jointly invite the co-operation of the other interested Governments in discovering means of setting up a regional body whose task would be to further the welfare of the inhabitants of the area and their social and economic development. Australia and New Zealand have a vital interest in the future of the South Pacific, and, indeed, their metropolitan areas (unlike those of the United Kingdom, the United States of America, France, and the Netherlands) are situated on the fringe of the region.