

At the present time the Territory has no debts or outstanding loans, and reserves at 31st March amounted to £607,155.

COMMERCE AND TRADE

No international agreements with respect to trade applying to the Territory have been entered into by the New Zealand Government during the year under review.

The Territory does not form part of a Customs union with New Zealand and dependencies, neither has it any Customs agreements with neighbouring territories.

Apia is the business centre of the Territory, and contains four principal commerical firms which operate 168 small trading-stations. Two of these are overseas firms which also operate in other Pacific islands, and the other two are local companies. In addition, there are numerous small trading firms and also various businesses in Apia, such as a branch of the Bank of New Zealand, transportation companies, a motion-picture company, a printing-works, boardinghouses, and restaurants.

The high prices being received for copra and cocoa as a result of the world-wide demand for these products are sufficient stimulus in themselves for the greatest possible increase in the export of these commodities. Adequate shipping is available for these two products, but the export of bananas is limited by the fact that there is only one refrigerated vessel in service. The provision of additional shipping is contemplated.

The Territory having a purely agricultural basis, domestic trade rests on the supply and demand of the indigenous producers. Due to some drift of population towards the Town of Apia, the demand among Samoans for native produce has increased and prices have risen correspondingly.

Motor-vehicles and small motor-boats are the means employed in the internal distribution of domestic and imported products. These are quite effective in present circumstances. Extension of the roading system is facilitating distribution of supplies to the previously more inaccessible villages.

There is no Government trading entity in the Territory, but the New Zealand Government (the Administering Authority) operates the New Zealand Reparation Estates, already referred to in the chapter "Economic Advancement." The domestic trade in local timber and cattle is largely in the hands of the Estates. In foreign trade the Estates are the sole manufacturer and exporter of desiccated coconut, and produce the bulk of the dried bananas exported: Estates copra and cocoa account for approximately 7 per cent. and 15 per cent. respectively of the total produced by the Territory.

Companies operate in the Territory under the provisions of the New Zealand Companies Act, 1933, as applied by the Samoa Companies Order 1935, and comprise those incorporated elsewhere but having branches in the Territory. No corporation receives any special taxation concession.

Since July, 1942, the British Ministry of Food has purchased the total copra-production, except for small quantities shipped to New Zealand, and prices paid to producers are fixed by the Administration. Distribution of the cocoa exports is regulated by the International Emergency Food Council, although actual sales are negotiated by merchants at competitive prices.