A.--5. 64

society, I apologize on behalf of New Zealand. With regard to education itself, as I told you, we are only here to help. I will make no statement to-day. I will await the report which is to come from Mr. Bird, who has been examining your schools. I only give you the assurance again that we do not want to interfere; we want to fill up the blanks and we want to improve. I think there is room for improvement in the London Missionary Society teachers, as I think they will admit themselves. We are out to help the Samoans. I agree with what is stated—that education of a certain kind and to a certain degree will be the saving of the Samoan. We are all endeavouring to learn how far we ought to go and in what direction. I want to go away with the assurance that the London Missionary Society and the New Zealand Government are pulling together in the same boat with the same aim—that is, to uplift and help the Samoans. We now come to-

## FINANCES OF SAMOA.

Hon. Sir James Allen: I will not waste your time, gentlemen. I will deal with the matter of the Samoan police presently. The New Zealand Government have come to a decision with regard to Samoan finances, and I am prepared to submit it to you to-day. We expect you to maintain, as far as you can, your own institutions. We expect you to find a certain amount of revenue for works that you ought to carry out. We are willing to help you. This is what we are willing to do: we are willing to advance capital by way of loan carrying interest and sinking fund, say, at 5 per cent. and 1 per cent. respectively, for such revenue-producing public works as may be recommended by the Administrator and approved by the New Zealand Government. These works will include such services as water, electric light, Government accommodation-houses, cool storage, drainage, &c. The New Zealand Government are also willing to advance capital by way of loan, without interest or sinking fund, for necessary public works and services which will, for the present at any rate, be non-revenue producing. I refer more particularly to roads, harbour improvements, public buildings, quarters for the staff, &c. If these loans are made from the Consolidated Fund they will stand as a debt against the Samoan Treasury for the time being. We are not proposing to charge you any interest or sinking fund on these loans made from that source for the time being; but they will remain on our books as a debit in case you become prosperous, as we hope you will, when we trust you will be good enough to restore to New Zealand that which she will have loaned to you for works which are for your benefit solely. I told you that we expect you to carry your local burdens yourselves. We are willing to provide whatever money is required for the maintenance of the Samoan Constabulary and for such development of education as may be approved by the Government. We expect you to—and hope you will provide for your education up to a certain stage. I cannot indicate exactly the stage. When you get to the stage at which it is not a fair thing to charge you with the burden, and the New Zealand Government considers that education should be continued further, we shall be prepared to assist you. That is as far as I can go at present. With regard to the proposed expenditure mentioned on page 41, a lot of it is theoretical and problematical. I do not know where you gathered this from—probably from some officers of the Government. But nothing has been decided with regard to public works, except the water-supply. The New Zealand Government were very earnest in their desire that you should get your water-supply, and I am hoping to be able to turn the tap on before we go. Drainage we consider to be essential; and we regard it as proper that you should have safe moorings for your ships here. With regard to roads and other things, it is for you to say. All that we are concerned about is to provide you with the means, should you report to us that certain roads are requisite and that you want the money to make them.

## THE LEGISLATIVE COUNCIL.

Mr. HOLLAND: I should like to ascertain from the committee if they do not think that the Legislative Council, if wholly elected on a proportional-representation basis, would be a better proposition than that which they put forward on page 43, the whites getting their proportional representation along with the Natives?

Mr. Nelson: The Natives have a form of Legislative Council in their House of Faipules,

where they deal solely with Native affairs.

Hon. Sir James Allen: With regard to the Legislative Council, I agree entirely with the principle that there should be no taxation without representation. But we cannot always carry out our principles. We have just passed through the Cook Islands, where the nominative system with respect to their Island Councils has been in force for many years. I am very glad to say that as a result of our visit the Arikis have agreed to the election of a white man to the Island Council at Rarotonga. So you see we are endeavouring as we can to provide for the elective principle, and we will do it here as soon as you are ready. But I do not think you are ready for it at the present moment when we are instituting Civil Government. I do not know what the constituency would be. We have not yet settled down after the war, and until we have settled down and know exactly who the whites are and what they are, and who the half-castes are and what they are, it is not safe, in my opinion, to provide for the election of members of the Legislative Council. I hope the time will shortly come when it will be possible to do so. Somebody has communicated with me regarding the representation of planters. I left the question over when I was dealing with the subject of labour. The election of two planters on the Administrator's Council has been suggested. I have no doubt the Administrator would be very glad indeed to have a planter on his Council. I cannot say who the white planters are that are available; but the Administrator is here and he knows now what I say. There is room still for another member on the Legislative Council, and if it is not opportune at the present time to appoint a planter, I feel sure that as more white people come into Western Samoa and become available for appointment, such an appointment will be favourably considered.