

the scheme will fall upon the New Zealand Government. It is true as we have said, that hitherto the New Zealand Government has given a substantial sum, representing part of the profits of the Reparation Estates, each year to the Samoan Treasury. It has been said that any loss involved by the scheme will reduce the amount of such contribution. The Samoan Treasury, however, has no right to this contribution. It is a pure act of generosity, and it may be at any time discontinued without causing legitimate complaint from the Samoans. It appears to us to be too remote for the Samoans to claim that because of the contributions from time to time given by the New Zealand Government to the Samoan Treasury they are interested in the methods by which the Reparation Estates and their operations are carried on. There may be some objection to the close association of the Administration of Samoa with the management and conduct of the business and operations of the Reparation Estates, but with this we are not concerned.

We do not, however, in the conclusion at which we have arrived rely on the circumstance that the marketing of the Native copra was undertaken by and at the risk of the New Zealand Government. Had the scheme been carried out by the Administrator as a Samoan undertaking, we should still have felt that it was a pure policy measure and was not the subject of consideration by us. It was not contended that such a scheme would be beyond the powers of the Administrator. We think it proper to point out that the scheme is at present experimental and tentative. No provision for its future extension has been, or could at the present time be, made; and whether such an extension will be necessary or desirable depends obviously on conditions which may in the future obtain, and is a matter of policy with which, as we have said, we have no concern. We think it right to further point out that the special relationship which under the mandate subsists between the Mandatory and the Samoans, and the duties which have been cast upon such Mandatory of watching and safeguarding the moral and material interests of the inhabitants, may warrant interference with private enterprise which under other and normal conditions might not be justifiable. It cannot be said that the conditions under which the Samoans sold their copra to the traders were just or reasonable.

We have not found it necessary to come to any determination upon the submissions by the traders that they were not making an undue profit from their purchases of Native copra under the conditions which obtain, nor do we think it a material matter for our inquiry whether the costs and charges debited by the Reparation Estates against the sale proceeds of the Native copra are sufficient. If the advances are too great, a reduction of the advances can readily be made; and if the costs and charges debited against the sale and proceeds are not sufficient experience will enable a correction to be made. In this connection it is interesting to observe that the private planters of cocoa in the year 1922 complained to the Administrator that the system under which they were compelled to sell their beans to the traders was entirely unsatisfactory. They alleged that the price was insufficient, and that the market was graded by the inferior article, so that the best cocoa was shipped with the inferior article and invariably brought the same price. Yielding to their solicitations, the Administration decided to guarantee the planters £50 per ton for unwashed and £55 per ton for washed cocoa of approved quality for all cocoa shipped by them through the New Zealand Reparation Estates. The price then paid to the planters by the local merchants was generally between £40 and £45 per ton. The traders, in consequence of the action of the Administration, raised their price, so that there was no necessity for the planters to take advantage of the offer to have their cocoa handled by the New Zealand Reparation Estates.

3. *Charges of Extravagance in the Expenditure of the Public Revenues of the Territory.*

It was charged that the expense of carrying on the work of the Administration was too high. The complainants did not attempt to criticize the organization and staffs of the different Departments, or the salaries paid to the officers. It was probably impracticable to do so. Certainly we should not have had the time or felt ourselves competent to embark on a critical examination of the working of the Administration to ascertain whether it was overstaffed or its officers overpaid. However, we were not invited to make such an examination, nor was it a duty