

I regret to say that owing to the disaffection of a section of the population the administration of the mandate over Western Samoa has caused some anxiety. As a result of various complaints and grievances alleged against the Administration, it was considered advisable last year to appoint a Commission of Inquiry, consisting of the Honourable the Chief Justice of New Zealand, Sir Charles Skerrett, and Judge McCormick of the Native Land Court, to visit Samoa and investigate the complaints on the spot. The result of a long and careful inquiry was to vindicate the Administration, but unfortunately the unrest has continued. Upon the expiration of Major-General Sir George Richardson's term of office as Administrator he was appointed as one of the representatives of New Zealand to attend the Permanent Mandates Commission of the League of Nations. Colonel S. S. Allen, C.M.G., D.S.O., was appointed to succeed Sir George Richardson as Administrator of the Territory, and took up his duties in May last. The policy of the Administration is, and always has been, to exercise the utmost possible patience consistent with the due observance of the law.

A notable event during the year was the visit of the Right Hon. L. S. Amery, Secretary of State for the Dominions. His discussions with my Ministers on various matters of importance and his personal contact with all sections of the community gave his visit a special value.

The National Industrial Conference, which was set up to consider problems affecting labour and industry, met during the recess. On some matters the Conference came to a unanimous conclusion, and their recommendations are now receiving the careful consideration of my Ministers. On other matters where unanimity was not reached the Conference dealt with much information which had been carefully thought out and prepared, and on which valuable discussions took place. Throughout all the proceedings there was a spirit of harmony and mutual forbearance, and it is clear that from this aspect alone the Conference marks a step forward in our industrial relationships. It is confidently hoped that the Conference has laid the foundation for friendly discussion in the future regarding the many difficult problems that arise in our industrial life. It is a noteworthy fact, and one which shows the good relations existing between employers and employees, that the period of depression through which this country has recently passed, and from which it is now happily emerging, has also been a period of industrial peace.

The measures passed last session dealing with the Agricultural Colleges, together with the activities of the Council of Scientific and Industrial Research, already have been fruitful of results which promise well for the lasting benefit of our primary and secondary industries, and several important co-operative research enterprises have been inaugurated. In this, much assistance has been given by the Empire Marketing Board, as a result of the visit of Mr. Amery. My Ministers feel that in the application of scientific methods to the cultivation of our land and to the raising and treatment of stock there is a practical means of increasing production which is so essential to the prosperity of this Dominion.

The subject of farmers' finance, which was given much consideration during the last two sessions, resulted in two measures which have been placed on the statute-book providing for long-term mortgages and rural intermediate credit. These measures are now in working-order, and it is anticipated that much benefit will accrue to the country by the facilities now given to the working farmer to obtain credit on reasonable terms and at a low rate of interest.

MR. SPEAKER AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES,—

I am pleased to be able to refer to the satisfactory change during the last twelve months in the economic and trade position of the Dominion. Aided by a good season and better prices, both the volume and value of our exportable products show a satisfactory increase. These factors together with the opening-up of new markets make the outlook for the future distinctly promising, and should do much to remove the causes of unemployment which unfortunately have been much in evidence during the depression of the last two years.