tea, but with the sacking of its architect, the grand design was cut down to size. More than two hundred fifty staff lost their jobs in the restructuring. The new ministry, named Te Puni Kokiri, has a staff of only two hundred and a budget of NZ$30 million. By June 1993, most of the programs inherited from Maori Affairs and the Iwi Transition Agency will have been transferred to other government departments; the only effective role left for Te Puni Kokiri is to monitor the delivery of service to Maori by other departments.

Although the demise of a department whose raison d’être was to serve Maori needs is a setback for Maori, there is cause for optimism on Maori land claims before the Waitangi Tribunal. In a memorandum to the Cabinet Strategy Committee in March, Minister of Justice Doug Graham recommended a more conciliatory approach. The previous government made the mistake of opposing Maori claims because of its unwillingness to concede that breaches of the Treaty of Waitangi had occurred. This resulted in the Crown being taken to court by Maori in a succession of ten cases that the Crown lost, the most celebrated being the Maori fisheries claim, the Tainui claim against the sale of land by Coalcorp, and the claim against the transfer of Crown land to State Owned Enterprises. The reason for this discomfiture of the Crown is the elevation of the treaty almost to the level of a constitutional instrument by its inclusion in twenty-one statutes. Accordingly the minister recommended that it would be better to balance the principle of kawanatanga, the right to govern ceded to the Crown in the first clause of the treaty, with the principle of tino rangatiratanga, absolute chieftainship, guaranteed by the Crown in the second clause. To this end Mr Graham recommended the settlement of claims by “chiefs meeting chiefs.” Under this formula, the minister of justice, supported by an “A team” of chief executives and top officials, would meet the “chiefs” of tribes to settle their claims by negotiation.

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NIUE

The year 1991–92 saw continued public service restructuring as Niue adjusted to reduced levels of New Zealand budgetary support. The size of the public service fell to approximately 420 (from nearly 600 in 1990), and progress was made in privatizing government-run businesses. Other cost-saving measures included closure of the never more than lightly populated Niue prison adjacent to the island’s golf course.

As in the past, efforts to promote economic development through trade and tourism were hampered by air transport problems. Niue Airlines’ fortnightly air service became increasingly irregular with flights canceled at short notice because of insufficient patronage. The government finally suspended the airline’s license when it was unable to provide bank guarantees to purchase aviation fuel. In June 1992 Niue announced that it was terminating its agreement with the Auckland-based company and would enter into discussions with other airlines. For the island’s embryonic tourist industry,
now encompassing several small motels as well as the expanded and refurbished state-owned Niue Hotel, a reliable air service linking Niue with New Zealand, the Cook Islands, and Western Samoa remains essential.

The effort to develop the *Mou Faka Niue* 'Niuean Life' program, based on small-scale exports of root crops and Niuean crafts, was more determined. A forestry project also gained momentum as leasing arrangements were negotiated with landowners.

The Niue Concerted Action Plan (Levine 1990, 174) came to an end in June 1992 and was succeeded by a project-based approach to New Zealand-sponsored economic development. Talks between Niuean and New Zealand officials on aid-related issues in March 1992 were followed by a one-day visit in May by New Zealand Deputy Prime Minister and Minister of Foreign Affairs Don McKinnon. His discussions with Premier Sir Robert Rex, and subsequently with the entire Niue Cabinet, reaffirmed New Zealand's commitment to its obligations under the 1974 Niue Constitution Act, including the periodic consultations between the two governments specified in Clause 8.

The NZ$7.5 million aid package, a reduction of $2 million from the previous year, drew some criticism from members of the Niuean community in New Zealand concerned about growing unemployment on Niue and its effects on migration. However, the November 1991 census suggested that Niue's population (recorded as 2244, little changed from 1989) may have stabilized, with unemployment in New Zealand making migration a less attractive option. Plans are being considered for increasing to 100 percent (from 50 percent) the payment of New Zealand superannuation benefits to eligible Niueans who return to Niue.

New Zealand aid includes NZ$2 million earmarked for development support (roughly half for new aid projects). The Niue government's proposals for assistance include the forestry program, with New Zealand funding a forestry adviser and equipment. Assistance has also been sought for the land titling program, necessary for forestry leasing and other activities. Other New Zealand aid programs seek to strengthen Niue's private sector by making expertise and seed money available for small businesses. Australia has also provided aid, permitting reconstruction of an important wharf access road. United Nations Development Program funds, like those from New Zealand, have emphasized private sector development (although some UNDP aid has also gone to Niue's health sector).

Increasingly frail, Sir Robert Rex announced in May 1992 that he would be stepping down in 1993 when voters elect a new Assembly. Although the experienced Minister of Finance Young Vivian has represented the premier at international meetings, his rivals include Robert Rex, Jr, former Cabinet member Frank Lui, and possibly Secretary to Government Terry Chapman. Lui can claim credit for a nonbinding resolution passed by the Assembly to award public servants (an overwhelming majority of the island's work force and electorate) a 10 percent cost-of-living increase, their first in four years.

Niue has been invited to prepare a
Following final Assembly approval in May 1992, a referendum (as required under the Niue Constitution) was held the following month in which 86 percent of the island's registered voters participated. The amendments were approved by 67 percent of those voting, with majorities in favor in thirteen of Niue's fourteen village electorates. The constitutional changes (which did not require any action by New Zealand) came into effect in July 1992.

The successful use of the amending procedure increased confidence in Niue's ability to revise its own constitution. Young Vivian's claim that the Constitution Amendment Act helps establish Niue's self-governing status suggests that the initiative, in conjunction with the forthcoming joint statement on Niue's political status, was intended in part to clarify Niue's position as a self-governing political entity and so enhance its capacity to develop international connections.

A new feature of the relationship with New Zealand began with the appointment of a nonresident defense adviser. New Zealand remains constitutionally responsible for Niue's defense, acting under authority delegated to it by the Niue government. At Niue's request, New Zealand carries out maritime surveillance in the exclusive economic zone, and a small defense assistance program is being developed. Niue's competence to make defense decisions was highlighted when the government agreed to allow an American warship to visit Niue in July 1992. Such visits to New Zealand ports ended with the introduction of its anti-nuclear policy in July 1984.

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References

Tokelau
Further progress was made toward Tokelauan self-government in 1991–92. Following inconclusive discussions about administrative matters at the September 1991 General Fono in Fakaofo, the Nukunonu meeting in May 1992 approved proposals put forward by Tokelau’s new administrator. Brian Absolum, a New Zealand career diplomat with extensive service in the Pacific, was appointed to a three-year term beginning in February 1992.

The administrator recommended that the General Fono’s power to make policy and pass laws for Tokelau be legally recognized by New Zealand. He also proposed the establishment of a Council of Faipule to act as the government of Tokelau, responsible for the day-to-day management of the territory. A third suggestion would authorize village councils to take over the management of various programs such as public works, agriculture, fisheries, health, and administration.

These ideas build on established leadership structures and institutions, and received strong support from the May 1992 fono. The proposed legislative changes would formally recognize existing practice, since Tokelau is already effectively responsible for internal decision making despite the absence of a legally constituted territorial government. The measures appear part of an organic process of political development likely to lead ultimately to some sort of formal act of self-determination.

A working committee was established at the May fono, comprising five representatives from each island together with the administrator and New Zealand advisers, to consider ways of implementing the three-part package or related options. It is expected to report its findings to the August 1992 fono in Atafu. The committee complements Tokelau’s other major administrative working group, the Budget Committee, which considers expenditure and project proposals and presents an annual budget for adoption by the fono.

The May 1992 initiative was highlighted in Tokelau’s June statement to the United Nations Committee of Twenty-Four during its annual consideration of the “question of Tokelau.” In their statement, Tokelau’s three faipule advised the United Nations (through a New Zealand representative) that the territory had “reached a certain degree of self-government,” but that it still lacked “a formal constituted government structure to recognise it.” Thus the fono had approved proposals designed to “strengthen our wish to eventually take on more of the running of our own affairs.”

The statement also noted problems arising out of the ongoing separation of Tokelau’s political leadership (resident in Tokelau) from the administrative headquarters of its public service (based in Apia, Western Samoa). Tokelau remains committed to relocating the Office for Tokelau Affairs from Apia to Tokelau, but this is a delicate undertaking, complicated by efforts to