veillance of the Cook Islands exclusive economic zone, and has provided emergency transport and technical services. The opposition criticized the government for its changed stance on nuclear testing, but the majority seem to feel it is a good deal for the Cook Islands. The issue was rendered moot when France suspended its testing program in April 1992.

A highlight of the year was the inaugural meeting of the G5, consisting of the heads of government of the five smallest member nations of the South Pacific Forum (Cook Islands, Niue, Tuvalu, Kiribati, and Nauru). They claim to get the smallest slice of the aid and related cakes, and that they can cooperate in areas such as transport and marine surveillance. The meeting, which was Sir Geoffrey Henry’s idea, was hosted by the Cook Islands and the participants felt they achieved useful objectives.

It was a stimulating, positive year, throbbing with activity. We hope the next generation will not have to pay for our joy!

RON CROCOMBE
MARJORIE TUAINENKORE CROCOMBE

MAORI ISSUES

In March 1991, new Minister of Maori Affairs Winston Peters released his ministerial planning group’s document, *Ka Awatea*. The planning group recommended the establishment of a Ministry of Maori Development to replace the Iwi Transition Agency, which in turn had replaced the old Department of Maori Affairs. The report targeted the four areas of Maori health, education, employment, and business enterprise, which had to be developed to close the gap between Maori and Pakeha. The plan was based on the assumption that the NZ$239 million budget of the Iwi Transition Agency would be retained, at a time when Minister of Finance Ruth Richardson was bent on pruning government expenditure.

*Ka Awatea* was not well received by Mr Peters’ cabinet colleagues because it was contrary to the government’s policy of “mainstreaming.” Under this policy, services to Maori provided by the Iwi Transition Agency, such as Maori Access (an employment training scheme), land, Maori trustee, housing, welfare, and education, would be integrated into matching programs provided by mainstream government departments. The budget of the Iwi Transition Agency would shrink through its redeployment to other departments.

Maori suspect that mainstreaming is a new word for the old policies of integration, assimilation, and the maintenance of Pakeha hegemony. In the 1980s the Department of Maori Affairs became more user-friendly, as Maori were promoted by Chief Executive Officer Kara Puketapu from the middle levels, where they had been kept, into managerial positions. The government made moves to regain control. Against the wishes of Maori leaders, the department was abolished in 1988 and replaced by a Ministry of Maori Policy whose only function was to recommend policy to the government. In the meantime, an Iwi Transition Agency, with a life of five years, was established to implement the government’s policy
of devolution and mainstreaming. It was the only government department that, if successful, would put itself out of business.

For the Maori, there is no guarantee that mainstreaming will benefit them in departments that are staffed and controlled by Pakeha. Consequently, when *Ka Awatea* was launched, it was endorsed by Maori leaders in the national Congress of Tribes, the Maori Women's Welfare League, and the Maori Council. The only dissenting Maori voice against Peters, was that of the influential Sir Graham Latimer, president of the Maori Council and Maori vice-president of the ruling National Party.

In July 1991, Sir Graham urged Prime Minister Jim Bolger to sack Winston Peters, ostensibly for breaching the principle of “collective responsibility” for Cabinet decisions. Peters had vehemently criticized the monetarist policies of the government for inflicting economic hardship on the people and widening the gap between the “haves” and “have nots.” In April, at a time of chronic unemployment, the government cut welfare benefits and increased housing corporation rentals to bring them up to market rates.

Although Mr Peters’ criticism of government policy was the ostensible reason for Sir Graham wanting him sacked, the covert reason was the minister’s opposition to the Quality Inns deal. The buyers of this chain of thirteen hotels in New Zealand were a mix of American and Maori investors. Sir Graham Latimer and Kara Puketapu, as principals in Maori International, persuaded twelve Maori trust boards and corporations to pledge NZ$10 million toward the purchase price of NZ$57 million. They also persuaded the Maori trustee to act as guarantor. Since the Maori trustee is answerable to the minister of Maori Affairs, Peters was not happy with the deal. He criticized the Maori trustee’s guarantee of such a large sum as “imprudent.” His worst fears were confirmed when the trust boards defaulted on their pledges. Wira Gardiner, chief executive officer of the Iwi Transition Agency, had no alternative but to sack Maori Trustee Neville Baker for mismanagement of his fiduciary responsibilities. Despite the correctness of that sacking, the State Services Commission stepped in and negotiated an early retirement package for Mr Baker, thus preventing a challenge in court.

Despite not wanting anything to do with the Quality Inns deal, Prime Minister Bolger wished the Maori partners in the venture every success. He portrayed himself as pro-Maori over a multimillion-dollar deal to which his rebellious minister of Maori Affairs was opposed. Portraying himself as pro-Maori helped prepare the political ground for his sacking of Mr Peters in October. The sacking effectively sounded the death knell of *Ka Awatea* and some measure of Maori control over the process of mainstreaming.

In the meantime, Wira Gardiner was appointed chief executive of the new Ministry of Maori Development. His first job was to turn a small establishment unit into a Ministry of Maori Development by January 1992. This ministry replaced both the Ministry of Maori Policy and the Iwi Transition Agency. At the outset, Gardiner committed himself to the goals of *Ka Awa-
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 discomfort 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 *tino rangatiratanga*, absolute chieftainship, guaranteed by the Crown in the second clause, with 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.

RANGINUI J. WALKER

**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,