

UNITED NATIONS TRUSTEESHIP COUNCIL



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PETITION FROM THE PAPUA AND NEW GUINEA NATIVE EX-SERVICE
ASSOCIATION IN RABUL CONCERNING THE TRUST TERRITORY OF
NEW GUINEA (T/PET.8/22)

Observations of the Government of Australia
as Administering Authority

(Note by the Secretariat: T/PET.8/22 was placed on the agenda of the thirty-fourth session of the Trusteeship Council. Preliminary observations of the Administering Authority regarding this petition were circulated in document T/OBS.8/13. The Administering Authority undertook to submit written observations on this petition at the next session of the Council as the petition had been received too late for the complaint to be investigated. The Administering Authority's reply to this petition has now been received and is reproduced below.)

The Administering Authority wishes to inform the Council that the same range of benefits has been provided for indigenous as for expatriate ex-servicemen.

The attention of the Trusteeship Council is drawn to the provisions of the Native Members of the Forces Act, 1957-1965, which provide benefits for indigenous males of the Territory of Papua and New Guinea who served with the Australian Defence Forces in the 1939-1945 war.

The benefits provided under this Act include pensions payable in respect of death or incapacity arising out of war service, to such persons and their dependants; medical treatment (including the supply of artificial aids) and related travelling expenses; and education and training for their children.

All persons who served, or were regarded as serving with combat organizations, were regarded as serving members of the Forces and they and their dependants were eligible for and, where qualified, were granted either pensions or compensatory grants. The Commonwealth of Australia, in addition, made grants to all those who

suffered war damage to property or person. In the post-war years these payments were a major function of administration services and none are outstanding. No claims were overlooked.

As part of the policy of the Administering Authority of assisting ex-servicemen and in order to improve the agricultural development of the Territory an Ex-servicemen's Credit Scheme was established in 1958. The Administering Authority draws the attention of the Council to the Ex-servicemen's Credit Ordinance, 1958-1963. The purpose of the ordinance was to assist eligible Australian, Papuan and New Guinean ex-servicemen to develop agricultural blocks of land by the provision of finance. An Ex-servicemen's Credit Board was established by the ordinance and empowered to grant loans to eligible ex-servicemen. Applications for loans originally had to be lodged within three years from the commencement of the scheme but this time-limit was later extended to four years. Applications for loans closed on 5 November 1962. Loans have been granted to 145 expatriate and 131 indigenous ex-servicemen.

No legal distinctions are drawn between the advances and other entitlements available under this scheme to indigenous and expatriate settlers.

The Papua and New Guinea Development Bank Ordinance, 1965, provides that on and after a date to be fixed by the Administrator the assets and liabilities of the Ex-servicemen's Credit Board shall be transferred to the Development Bank. Negotiations to effect this transfer are currently proceeding. Following the provision of \$A2.5 million in 1967-1968, a total of \$A3.5 million will be available to the Bank to increase the private enterprise contribution to the Territory's development. The policy of the Bank will be directed towards both small indigenes' holdings and large-scale enterprises.

The Administering Authority wishes to observe in relation to the granting of loans under the Ex-servicemen's Credit Scheme that the provision of finance is a consequence of the granting of a lease to a block of land. The size of the loan granted by the Ex-servicemen's Credit Board has varied with the size of the land to be developed by the applicant, whether he is an indigenous or expatriate ex-serviceman. The size of the block of land leased to an applicant depended primarily upon the managerial capacity which the applicant displayed at the time when the lease was granted at least five years ago. Some expatriates were refused land, as were some indigenes.

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On the general question of the granting of loans to expatriates to assist with the development of the Territory the Administering Authority draws the attention of the Council to the World Bank Mission's recommendations concerning the need to attract outside investment to the Territory, and the expectation that expatriates would be in the majority of borrowers, both in numbers and in the amounts of finance lent.

The Administering Authority observes that it is not aware of precisely who the petitioners are but reports to the Council that in the Rabaul area ten blocks were advertised as available and were leased to indigenous ex-servicemen to all of whom loans were granted by the Credit Board.

In the cases where applications have been made for Ex-servicemen's Credit Board loans by applicants wishing to develop land held under communal title the ordinance prohibits the Board from making loans as a mortgage cannot be taken over this type of land. This restriction gives effect to the realities of the situation, for communally owned land could not be sold if a mortgage were in default; it, therefore, cannot be mortgaged.

The postscript to the petition is considered to be rhetorical in nature and therefore does not require a specific reply. However, the Administering Authority observes that indigenous defence units raised in the Trust Territory would be used only in accordance with the provisions of Article 84 of the Charter of the United Nations and article 7 of the Trusteeship Agreement for New Guinea.
