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TRUSTEESHIP COUNCIL

VERBATIM RECORD OF THE TWENTY-SEVENTH MEETING OF THE THIRD SESSION

Lake Success, New York
Monday, 19 July 1948, at 2.00 p.m.

President:

Mr. Liu CHIEH

(China)

The PRESIDENT: I declare open the twenty-seventh meeting of the third session of the Trusteeship Council.

EXAMINATION OF THE REPORT ON THE TRUST TERRITORY OF NEW GUINEA (continued)

The PRESIDENT: We will continue the examination of the Report on New Guinea. I should like to remind the members of the Trusteeship Council that we have spent a considerable time in the examination of that portion of the Report which deals with political questions. We should, therefore, proceed at once to the examination of the other functional fields, and I would suggest that representatives will, at this stage, confine themselves to asking questions of the special representative in order to clarify any points which need clarification, and will reserve their comments and observations until the time for general discussion. I believe that that would economise in time and give us more time to discuss the Report as a whole when that stage comes.

Mr. SAYRE (United States of America): I am wondering what our programme is going to be during the remaining ten days or two weeks in which the Council will be meeting. When I looked over the remaining items on our agenda, I was a little appalled when I considered the length of time which we had taken to discuss the existing items on the agenda, which we have already covered, in comparison with the work still remaining. I wondered whether, if we do not have either morning meetings or evening meetings, we will be able to get through our work. I know that some of the members have other engagements. I think there is a limit on the time in which we can profitably spend on these matters, and I was wondering what are the present hopes or plans, looking forward to the expeditious carrying on of our work and completing it within the next, shall we say, two weeks.

The PRESIDENT: Does the representative of the United States suggest that we set a target date?

Mr. SAYRE (United States of America): I have had no consultations with the various representatives on the Trusteeship Council, some of whom have other dates.

Sir Alan BURNS (United Kingdom): I heartily support the suggestion made by the representative of the United States. Already I have had to cancel one passage, and much as I like being in the United States, I have other engagements on the other side of the Atlantic which I must attend. Now I have a passage booked for the 29th, and I suggest a target be set for that date. If I miss that passage, I am not sure that I shall get another.

May I suggest that the President with the Secretariat should prepare some sort of schedule which would allow us to finish by that date, and if we cannot keep to the schedule, let us go on working until we do, even if it means night work or morning work.

The PRESIDENT: Perhaps I may invite the Assistant Secretary-General to give us his view on this particular question, because so much depends on the work of the Secretariat. The Trusteeship Council can only go as fast as the members of the Secretariat can make it.

Mr. HOO (Assistant Secretary-General in charge of the Department of Trusteeship and Information from Non-Self-Governing Territories): I think that up to now the Trusteeship Council has not had to wait for any papers from the Secretariat, so, in fact, I do not think the Secretariat has delayed the meetings of the Council. This year is the first time that we have examined the annual reports, and our experience has shown us how long it takes to go through one single report. Therefore, I do

not know what the Secretariat can do. If the Trusteeship Council would hasten its deliberations and examinations of the various reports, we would not be behind schedule, but I can, perhaps, work out with the President a tentative schedule to deal with the remaining items, and fix for each item a certain number of meetings or hours. If the schedule is not kept, then perhaps the meetings should continue until it is up to date. We could perhaps fix a day for one item, and then another day, say Tuesday, to finish another item, and try to finish these items within the time limit prescribed.

Therefore, I think that for the time being it is not the Secretariat which is holding up the meetings. Of course if the Council speeds up its work and the Secretariat has to produce documents quicker, then it will be the responsibility of the Secretariat. For instance, with regard to verbatim records, when the Security Council is meeting we cannot have verbatim reporters and that, of course, delays the publication of the verbatim records. But any delay, in that respect, cannot be ascribed to the Trusteeship Council. We have always asked the Secretariat and the General Assembly to provide enough funds to have sufficient reporters, so that the Trusteeship Council may have verbatim records at any time it wanted them. Unfortunately, the representatives of the various countries which are represented in this Council, but who are sitting on the Fifth Committee, did not support us. Therefore, if there is any delay which is due to lack of staff, I, personally, want to decline any responsibility, and this responsibility should be borne by those Governments which instructed their representatives in the Fifth Committee to curtail our funds.

The PRESIDENT: I think, for the moment, that I cannot subscribe to any allegation that the Secretariat can be held responsible for the speed of the work of this Council. So far, we have not had a fixed timetable for our work. Therefore, I do not think we can say that we are behind our schedule, because, in the first place, we do not have a fixed schedule and the examination of the reports have shown that members of the Council do desire to examine such reports very carefully and thoroughly.

I think that a good deal of time could be saved if members would avoid repetition of observations, and perhaps a fixed schedule from now on may help the Council to accelerate its work. Therefore, I shall try to keep a schedule, as far as possible. If necessary, we will even eliminate that luxury of a recess in the afternoon.

Mr. SAYRE (United States of America): I want to say, as the President did, that my remarks were not, in any slightest degree, prompted by fault-finding with the Secretariat; that was furthest from my mind. I am merely interested, as all of us are, in getting a conscientious and good job done, within the time available to us, and I like very much the suggestion which Mr. Hoo made, of conferring with the President, and I like the President's suggestion of setting up a schedule of days and trying to adhere to it, so as to complete our agenda within the time open to us. If we do not get far enough along in the afternoon meeting, then we should meet, if necessary, at night or in the morning, in order to keep up with that schedule.

Mr. PADILLA NERVO (Mexico): I should like to make an observation with respect to this fixing of a deadline for the deliberations of the Council. I would not wish, in fixing any schedule, that we should set a precedent as to how long this Council should meet in order to transact its business. There must be, in certain cases, important reasons why the Council should fix a deadline, but I think the general policy should be that the Council ought to meet as long as it is required, to transact its business, and that should not interfere with the right of the members of the Council to examine any question submitted to the Council, as thoroughly as they consider it necessary. The necessity for ending a session should not mean that there would be an abbreviation in the consideration of a subject or a lighter consideration of a subject.

I think that, in general, this Council -- and the members of this Council -- should be prepared to meet as long as is necessary. I foresee for the future much longer sessions still, and we ought to be prepared for that. If, for some reason or other, certain business could not be transacted in one meeting -- or one session -- the Trusteeship Council has the power to go on, as it has done before, with certain subjects later on. I think that ought to be the prevailing consideration, and when there are no very important reasons why the discussion of a subject submitted to us should be ended at a certain date, there is no reason not to go over that date.

The PRESIDENT: I think the Council will agree with Mr. Nervo that, in fixing our schedule, we must bear in mind that economy of time must not be achieved at the expense of the proper discharge of the duties of this Council.

Mr. KHALIDY (Iraq): I fully subscribe to the remarks of the representative of Mexico and should like to add that, no matter what happens, it is my earnest hope that we can avoid night meetings at any rate. They are poisonous.

Mr. CARPIO (Philippines): I believe that what the representative of Mexico has said is a very, very important consideration. Therefore, in order to finish up our work as soon as we possibly can -- and without prejudicing any member in trying to live up to a schedule -- I would suggest that, from tomorrow, the Council should start to work on double time -- that is, should work morning and afternoon. We have been working hard enough for the past two or three weeks. I do not see why we cannot work just as hard, if not even harder, during the next week or so, in order to finish up our work. Therefore, I would suggest that we should start working morning and afternoon, beginning tomorrow.

The PRESIDENT: I can give this assurance now: that the Council will meet in the morning, except for those days when the drafting committee will have to meet in the morning. Some of the smaller delegations will not have enough personnel to attend meetings of both the Council and the drafting committee.

We shall now proceed with the examination of the economic phase of the Report on New Guinea. As I said before, the questioning of the Special Representative is intended ^{only} to clarify points which need clarification. Such clarification is useful for the purpose of the general discussion later on, and therefore, in suggesting that certain delegations have been specially charged with this phase of the Report, I do not suggest that they must ask a number of questions in order to fulfill their duties, but such questions will be helpful for general discussion.

The Report is now open for questioning. The delegations which are specially concerned with the economic advancement portion of the Report are those of Belgium, Costa Rica and the United Kingdom.

Sir Alan BURNS (United Kingdom): I would, with the permission of the President, ask the accredited representative a question with regard to the export of gold referred to on page 22 of the Report. I see that the gold bullion exported is valued at 2,797,226 pounds.

Could the accredited representative inform me how most of that gold is obtained? Is it deep mining or alluvial?

Mr. HALLIGAN (Special Representative, Australia): It is obtained by dredges, mainly.

Sir Alan BURNS (United Kingdom): Are most of those dredges still in existence, or were they destroyed during the war?

Mr. HALLIGAN: There were eight dredges operating there, all in the Bulolo Valley. All of them were damaged, one of them very severely. But, at the present time, about five of them have been reconstructed and are in operation again.

The PRESIDENT: Are there any further questions?

Mr. CANAS (Costa Rica) (Interpretation from Spanish): As I have been informed, the Trusteeship Council began to consider this Report last February, when the delegation of Costa Rica was represented in the Council by other persons. As a consequence, perhaps some of the questions which I may ask now have already been asked previously. If that should be the case, I would ask the pardon and patience of the members and of Mr. Halligan.

I should like Mr. Halligan to tell us the approximate proportion of land actually under cultivation as between that in the hands of the natives and that in the hands of the Europeans.

Mr. HALLIGAN: I have some figures available. There are something like 500-odd plantations operated by Europeans. Of the total area of the territory more than ninety percent of the land is in the hands of the natives and has not been secured from them to date. That is roughly the proportion as between the Europeans and the natives, as to cultivation.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): My question, Mr. Halligan, referred to land under cultivation -- that is to say, land controlled by the administering authority -- because, as I understand it, there is a great proportion of the territory which is outside the control of the administering authority. I referred to that portion of the territory which the administering authority controls, and which is where I suppose the principal cultivation goes on.

Mr. HALLIGAN: That is so. Any information supplied would, of course, relate only to the areas that are under administration control. The figures I have given would relate largely to the areas under administration control; that is, more than ninety per cent would be in the hands of the natives, and the remaining portion would be the land that is cultivated by the Europeans.

Mr. CANAS (Costa Rica)(Interpretation from Spanish): I should like to have Mr. Halligan explain whether that ninety per cent of the land controlled by the administering authority, which is in the hands of the natives: Do they possess it in a collective form or in individual parcels? That is to say, is this simply a territory which belongs to the native population, or do individuals in the native population possess a certain portion of the land?

Mr. HALLIGAN: All the land in the Territory belongs to the natives, and it is only possible for Europeans to secure land by the administration, purchasing the land from the natives, and that can only be done where the natives are willing to sell and the administration officer certifies that the sale of that land by the native would not be prejudicial to the native's interests.

Mr. CANAS (Costa Rica)(Interpretation from Spanish): From what Mr. Halligan has said, I deduce that the land belongs in general to the native population, but I should like to know whether the individuals of the native population have individual rights of property over that land and under what conditions.

Mr. HALLIGAN: The native ownership varies in different parts of the Territory. Largely, it is individual ownership, but there are cases where it is owned by the clan. Very largely, it is individual ownership. I have some statistics here in further support of the

question I gave in regard to the proportions. If the Council wishes those, I can give them now.

Mr. CANAS (Costa Rica)(Interpretation from Spanish): Then, the land system in New Guinea: I should like you to tell me whether I have understood correctly what you said. It is considered that the land belongs in totality to the natives. Are there pieces of this land which they hold in collective property, and are there parcels where you have individual authority, and then a European or Asiatic, if he acquires land, must he fill out a sort of application to the administering authority? Is that right?

Mr. HALLIGAN: That is correct. The land all belongs to the natives and always has during the administering authority's control of the Territory, and the only way that a non-native could secure land is for the Administration to purchase that land from the natives after those safeguards and precautions that I mentioned are taken. Then, the administering authority issues that land to the non-natives in the form of a lease; there is no freehold. It is a lease of varying terms, up to ninety-nine years lease, and land within the native ownership, as I mentioned, varies largely with individual, and there are cases of community, - ownership of the land as well.

Mr. KHALIDY (Iraq): I should like to develop this point. I did not quite understand exactly the process under which this is to work. Do I understand from the explanation of Mr. Halligan that there is some sort of a communal administration of the natives which controls the land, that the administering authority buys the land from them and then leases it? Is that the system? Who really controls the land and sells it?

Mr. HALLIGAN: The land belongs to the natives; in some cases to the individual, largely to the individual. In other cases the land belongs to the clan. If the people want to secure land, the administration deals with the individual native if he is the owner, or the clan if the clan is the owner. When the Administration Officer is satisfied that the native wants to sell that land, is willing to sell it, and if he does sell it it will have no detrimental effect on the native, the Administration buys the land from the native, and then under the land laws of the territory it issues that land out to the non-native in the form of a lease, in accordance with the terms of that land law.

Mr. CANAS (Costa Rica)(Interpretation from Spanish): The question which I am going to pose now really has no direct relation with the administration of that Territory of New Guinea. It makes use of a linguistic figure of speech which at times has been used by Ambassador Padilla Nervo. I am going to justify the question which I am going to ask by saying that when the daughter of a person wants to get married, one has the right to find out everything possible about the bridegroom. Therefore, making use of this right, I am going to ask about the Territory of Papua, since it seems that there is a plan to have Papua and New Guinea get married. Since we are more or less the parents of these territories, I have some right to ask a question. Does the land system in Papua vary greatly? Is it distinct from the land system in New Guinea or is it similar?

Mr. HALLIGAN: It is practically identical in the two territories. What I have described for New Guinea is almost identical for Papua; however, if it is not identical, I cannot call to mind any departure from that in Papua.

Mr. CANAS (Costa Rica)(Interpretation from Spanish): Then, --
is the land in Papua also considered to belong to the natives, or does
it belong to the Government of Australia?

Mr. HALLIGAN: The land belongs to the natives just as in the
same way I have described it for New Guinea.

Mr. CANAS (Costa Rica)(Interpretation from Spanish): I must
state that from the point of view of protection for the indigenous
population, it seems that the land system provided there is satisfactory.

Now I should like to go on to other points which are also
related to similar questions; it concerns export products.

I imagine that since the natives own ninety percent of the land under the control of the administering authority, it is possible that a great proportion of the export products have been produced by natives. I should like Mr. Halligan to explain to us how the exportation takes place - whether it is done by some agency or official of the authority, or by some private company; in the latter case, what is the nationality of this company?

Mr. HALLIGAN: The crops produced for export are not produced to any extent by the natives. The natives produce food crops for their own subsistence. Copra is the main agricultural product exported, and that is largely exported from plantations operated by Europeans. Certain of the natives produce copra for export, but it is mainly around the more populous centres such as Kavieng and Rabaul, the respective capitals of New Britain and New Ireland. It is estimated that the natives at the present time produce about 200 tons of copra a month of a total export of about 30,000 tons per year.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): Then the natives produce only food crops for their own individual consumption? Is that the case?

Mr. HALLIGAN: That is correct.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): So that they do not have, from the land which belongs to them, a sort of income or profit?

Mr. HALLIGAN: Only to the limited extent I mentioned, but they are being encouraged and assisted to develop cash crops which will be available for export. At the present time they participate only to a limited extent.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): Do they produce enough for themselves or must they import food and so forth from the metropolitan territory?

Mr. HALLIGAN: They produce enough for themselves in places distant from the places of European settlement. Largely, in the places in proximity to the European settlements and the more developed areas, they buy foodstuffs from trade stores to supplement what they grow in their gardens. In areas which are not considerably developed, generally speaking they produce enough for their own consumption.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): From what Mr. Halligan has just said I gather that production for internal consumption in New Guinea is not sufficient to supply the native population, so I do not think it could be sufficient to supply the European and Asiatic population. What sources of supply do the Europeans in New Guinea have, therefore? Do they not have to import articles of first necessity?

Mr. HALLIGAN: The production for the natives is sufficient. I understood Mr. Canas to say that he thought my statement meant that there was not sufficient for the native population, but there is sufficient for the native population of the classes of produce which they grow for their own consumption, mostly root crops, yams, taros and things of that sort. Articles which would be important to supplement that production are of a different class, a class which the Europeans would use, such as tinned meat, flour and rice, not of the class which the native ordinarily eats in his natural state.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): Then may I deduce that the diet of the European population is composed exclusively or almost exclusively of articles which are not produced in the territory?

Mr. HALLIGAN: No, that is not so; tropical fruits and vegetables are of course included in the European diet and they are produced in the territory. Meat, flour for bread and rice are not grown to any extent in the territory but are imported.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): The answers to this long series of questions are not quite clear yet. I have been thinking about products which are cultivated in the territory. Reference has been made to tropical fruits; what I wanted to know was whether the products produced in the territory are sufficient for consumption there or must they be supplemented by importation from surrounding territories? Are enough tropical fruits grown, or must they be brought from some other place? The same question applies to all other products which are used and consumed immediately on the spot.

Mr. HALLIGAN: I think I can make that clearer by saying that there is a sufficiency of products produced in the Territory both for the native and the European to the extent that the European consumes those things. The importations are in the nature of goods that are not produced in the Territory. That applies both to the native and the European. You will find in the Supplementary Notes details of the diet of the native labourer. In that you will find a number of items which are not produced in the Territory. In the case of some of them, you will find alternates to what is produced in the Territory. It might be an imported article to replace a native article. That applies to the native labourers. It is the diet that has to be supplied to them.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): I gathered from what Mr. Halligan just said that in the native diet there is a series of products which are not produced in the Territory. Is that correct?

Yes,

Mr. HALLIGAN: /in the diet of the native labourer and the native who is in proximity to or under a degree of administration advancement. They change their diet and consume items that they would not normally consume in their natural state.

Mr. CANAS (Costa Rica) (Interpretation from Spanish): I have no further questions.

Mr. RYCKMANS (Belgium) (Interpretation from French): I should like to ask the Special Representative whether the Australian Government has pursued the policy which was introduced before the First World War by the German Government of imposing on the natives, in New Britain particularly the planting of numerous coconut trees. Has this policy been pursued or

has the Australian Government not insisted on the compulsory planting of cocoanut palms?

Mr. HALLIGAN: It has been pursued and pursued energetically. They are encouraged on all occasions to plant cocoanut groves. The cocoanut, of course, is the most important item grown in the Territory and it is used for all purposes. It is used for food, house building, house thatching and so on. The natives depend very largely on the cocoanut and they are given every encouragement and assistance to expand their groves.

Mr. RYCKMANS (Belgium): How far does that encouragement go? Is it compulsion or encouragement? With the Germans it was compulsory. The natives were obliged to plant so many cocoanut trees every year. Does that compulsion still exist or has the Australian Government given up that compulsion?

Mr. HALLIGAN: It is not a full compulsion. They are required, but it is more encouragement than compulsion.

Mr. KHALIDY (Iraq): I only wanted to ask how. How is it more encouragement than compulsion?

Mr. HALLIGAN: The patrol officers and administration officers, in the course of their patrols, explain the advantage of having greater cocoanut groves to them, the advantages for the individual and the village. The natives respond very readily to that advice and encouragement.

Mr. KHALIDY (Iraq): Is nothing done beyond that by the authorities?

Mr. HALLIGAN: There has been no need.

The PRESIDENT: I think the question asked by the representative of Belgium was whether or not the policy of the German administration in regard to compulsory planting was continued. We mean that there must be some regulations which lay down the requirement. Is there such a requirement? Is there such a regulation? In other words, would any step be taken if the natives should fail to take advice and encouragement?

Mr. HALLIGAN: That would be under the native administration regulations.

The PRESIDENT: You do have regulations requiring them to do so?

Mr. HALLIGAN: The native administration regulations cover all aspects of native life. Under those native administration regulations, they would be required to carry out the planting and improve their food supplies.

Mr. KHALIDY (Iraq): That was exactly my point. Mr. Halligan says that if they do not respond, they will be covered by the regulations. How? What would the regulations do to them? Suppose somebody did not respond to the encouragement given by the patrol officers, how would he be effected by the regulations concerned?

Mr. HALLIGAN: The patrol officers would point out the advantages. There is no penal clause attached. The officer would take particular note of that village and point out to the senior man in the village the desirability of giving effect to those regulations. There is no penal clause attached to not doing it.

Mr. KHALIDY (Iraq): But, in case a native does not take action at all, does not move, what would happen? You say that he would come under the native regulations. What does that mean? Are there any

stipulations or special provisions in the native regulations concerning such a case?

Mr. HALLIGAN: No, there are not.

Mr. KHALIDY (Iraq): Nothing at all?

Mr. HALLIGAN: No.

Mr. FORSYTH (Australia): May I be permitted a question on that point? Mr. Halligan, what is the purpose of this moral suasion for the planting of cocoanuts? What is the object?

Mr. HALLIGAN: The object is to supply the native with foodstuffs and the essential commodities that are produced from the cocoanut tree. They are used for building their houses, for the oils to be got out of the cocoanut, the food and the drink. It is for their own benefit.

Mr. SAYRE (United States of America): I have only two or three quite brief questions on which I should like a little information from Mr. Halligan. I was interested to see, in the middle of page 10 of the printed Report, that emphasis is laid on the lengthy coast lines and the hundreds of islands in the territory which must be served. I was wondering, in view of the statement that there are now quite a few coastal boats in service, how many of these vessels have been provided by the Government and how this number compares with pre-war conditions. As the Report abundantly makes clear, all of this trust territory was badly smashed up in the war, and in order to restore anything like normal conditions, there must be adequate inter-island boat services. The point of my question is: How many boats has the Government provided, and how does the present number of boats compare with the pre-war number?

Mr. HALLIGAN: In the pre-war period, the inter-island shipping service was provided by private persons and companies. The service was maintained partly by small vessels and partly by the vessels which traveled between Australia and the territory, calling at the main ports. Since the resumption of civil administration, the Government has undertaken to supply a shipping service, and has purchased all the vessels there at the present time. These vessels range from 300 tons, down to 85-foot vessels of about 100 tons and smaller vessels. To draw a comparison between the number of pre-war vessels and the present number would not show a true picture, because the present vessels of 300 tons are much larger than the smaller run of vessels of pre-war days. We have provided these 300-ton vessels, the 85-foot vessels and the smaller ones to the number of about 25, and we have now reached a stage where it is about possible to meet the transport requirements of the territory, although we still have under construction a number of the 85-foot vessels.

Mr. SAYRE (United States of America): Those are all provided by and operated by the Government?

Mr. HALLIGAN: Yes, they are purchased by the Government. A number of them were vessels obtained from the Service at short notice, which are not entirely suitable, but these are being replaced by more suitable vessels. The Government is running the service at the present through the agency of some of the companies, but the Government is responsible for the service.

Mr. SAYRE (United States of America): That shipping service is now, in general, adequate to serve the needs of the territory?

Mr. HALLIGAN: Closely approaching that. In the matter of shipping, it is rather difficult to be able to say that the service will be able to meet all contingencies, since one of the greatest of our difficulties is the provision of docking facilities and the obtaining of spares. Some little time back, about fifty per cent of our vessels were out of action because of the lack of spares and docking facilities, although I think we are now getting to the stage where we have a sufficient number of vessels. It cannot be quite understood that we have an effective and complete service, but we are heading towards that.

Mr. SAYRE (United States of America): That sounds very satisfactory. I have another question with respect to the paragraph at the top of page 13 of the printed report. I think all of us agree with the opening sentence "that agriculture must provide the main basis for the ultimate prosperity of the New Guinea peoples." In the middle of the same paragraph is the statement "but it is believed that they can gradually be instructed and led into the cultivation of such crops as coffee, tea, cocoa, cinchona, fibres, etc. eventually reaching a stage where a mutual trade will be established between the Commonwealth and her dependancies." I wonder, in view of the last statement, whether Australia envisages trade between New Guinea and countries other than Australia.

Mr. HALLIGAN: Oh, yes.

Mr. SAYRE (United States of America): When this trade develops as you hope and plan that it will develop, this trust territory will certainly not be confined to trading with Australia?

Mr. HALLIGAN: No, it would be quite open.

Mr. SAYRE (United States of America): I think that this is of importance, and in that connection, I was interested in the proposed bill contained in document T/138/add.1 on page 36. Paragraph 73 provides that:

"No Ordinance shall impose higher duties upon the importation into the Territory of any goods produced or manufactured in, or imported from, Australia than are imposed on the importation into the Territory of the like goods produced or manufactured in, or imported from any other country."

Can lower duties be imposed on goods emanating from Australia than on goods emanating from elsewhere. In other words, the new territories shall not be allowed, under this provision, to discriminate against goods coming from Australia. My question is: Would the new territory be permitted to impose lower duties upon Australian goods than upon goods emanating from other countries?

Mr. HALLIGAN: It has not been the practice to do so in the past. There has been a tariff, as will be seen from the Report. There is no preference in that tariff, one way or the other, and I take it that that will be the practice in the future.

Mr. SAYRE (United States of America): It is the last part of your statement which interests me most. That is, you say it will be the policy in the future. I take it that both you and Mr. Forsyth would agree that in the Charter provisions of Article 76 (d) provide for equal treatment in social, economic and commercial matters for all members of the United

Nations and their nationals,

In conformity with that provision,

it will not be the policy of the territory to impose lower duties on goods manufactured in Australia than elsewhere. If I correctly understand the last part of your answer, you are in agreement with that.

Mr. HALLIGAN: That is so.

Mr. SAYRE (United States of America): I take it that Mr. Forsyth would be in agreement also.

Mr. FORSYTH (Australia): That is correct.

The PRESIDENT: On this point, I should like clarification. More clarification on this point would be helpful for the general discussion on the obligations of the administering authority as defined in the Charter. That is to say, the obligations of the administering authority in relation to the trust territory. But if that territory is to be combined with an area which is a colony, and there is certainly no obligation upon the administering authority of a colony to give to other countries the same treatment it gives to itself, what would be the effect of the combination of these two territories?

Would it mean that the administering authority accepts the same obligation under the Charter in regard to the combined territory, as only with regard to the trust territory; and if it is only with regard to the trust territory, is that obligation applicable? Then how can the administering authority define the customs duty, in order to make it applicable in accordance with the Charter -- I mean, as far as Papua is concerned?

Mr. HALLIGAN: Of course, the obligation can only be accepted in respect of the trust territory. But the practice and procedure with Papua would have to follow the trust territory -- not as an obligation. Australia would be able, so far as Papua went, to have whichever sort of tariff it wished. If the one tariff is operating for both the trust territory and Papua, the obligation for the trust territory, under the Charter, would have to be carried through, of necessity, to Papua, and that would be the case.

Mr. SAYRE (United States of America): My third and last question relates to the whole economic picture which the representative of Costa Rica was developing. I am wondering to what extent native grown agricultural products, such as tea, coffee, cocoa, bananas, rice, and so forth, can find a market in Australia; or if not in Australia, are there other markets open to those products? I was very interested in the answer to question 12, which appears in document T/138. The special representative will recall that the Australian Government set forth an account of its effort to develop these additional crops which, it seemed to me, was very sound and commendable.

In that connection my question is the following: Will there be difficulty in finding markets for such crops as these, and where will those markets presumably be?

Mr. HALLIGAN: In the selection of crops/^{to} which the natives are being directed, other than their natural ordinary crops, due regard and full importance is given to the fact that if they are going to cultivate crops, they must have a market. Of those commodities which are mentioned in document T/138, coffee, tea and cocoa are commodities that are not produced in Australia.. Therefore, there would be a market. One could see the possibilities of the market there, particularly tea and coffee, and cocoa almost to the same extent.

In the case of rice, rice is a staple diet of the natives and a very large quantity is imported each year into the territory. In the case of rice, the market there would be at hand. They would have their home consumption market.

Mr. SAYRE (United States of America): But I presume that although Australia would furnish convenient markets, the product would not be confined, necessarily, to Australian markets; that is, you might be able, let us say, to sell tea or coffee to New Zealand or other countries, and I suppose the policy would be one not confining the sale of the product, necessarily, from the trust territory to Australia.

Mr. HALLIGAN: That is so. But there is one way where we can see the Australian market as probably a stable market, but there is no intention or design to say that will be the only place for the product. As the cultivation is developed, we might, in these things, be able to satisfy Australia's market, and then go further afield. But, in any case,

the object is to train the natives in the production of these things and only producing things that will have a ready market; that is, the world is the market and not only Australia.

Mr. FORSYTH (Australia): I wish to make one comment on the subject with which we were just dealing. One of the great difficulties about promoting the economic development of the territory has been just this difficulty of finding markets for crops such as these which are mentioned here, which could be grown in the territory. Even in the case of copra, the bottom has been known to fall out of the world market, and New Guinea has felt the economic repercussions of that at certain stages. So that, as I say, one of the things we do have to give a lot of thought to is how to promote the economic development of the territory.

Now while the Trusteeship Agreement and the Charter will not allow us to discriminate against other members of the United Nations wishing to seek markets in New Guinea, it would not prevent us from doing something in Australia to help foster the production in the territory, and so to assist the economic development of the territory; that is to say, it would not prevent us from doing something with our own tariff in Australia to help production in the territory, if we felt disposed to do that. It may be, possibly, that in order to promote the economic development in the territory -- and, of course, all the other social, economic and educational objectives depend, to a certain extent on the fostering of economic development -- that we will have to take some action of that kind, just to assist the production of these things in the territory.

Mr. SAYRE (United States of America): It is very interesting, and I think that all of us realize that economic development is a necessity if we are going to build sound educational, social and other advancement.

Still on this general subject, I wondered why in that enumeration in document T/138, bananas are not mentioned. I still remember as Mr. Ryckmans does, the development of the banana industry in Western Samoa and its stimulation by New Zealand, and the building up of banana markets in New Zealand. I wondered why bananas are not considered.

Mr. HALLIGAN: Bananas are used largely for food consumption in the territory, but are not exported at all. No export trade has been developed. In so far as Australia is concerned, bananas are grown there to the extent of Australia's requirements, within Australia itself.

Mr. SAYRE (United States of America): I was interested in Western Samoa where New Zealand has built up and is developing an export trade in bananas and even sends the boxes to the indigenous people in Western Samoa, and collects the boxes, and has a quite carefully arranged banana export which did not exist previously, and from which a considerable income is being received within Western Samoa. I am merely asking, in ignorance whether that has been considered and whether it might be worth considering.

Mr. HALLIGAN: In that case, the market was there in New Zealand because no bananas are grown in New Zealand and they had to get bananas from other places until they developed this trade. But Australia has an extensive banana industry itself.

Mr. SAYRE (United States of America): That is probably the answer.

In conclusion, looking at this economic picture as a whole, is it going to be possible, in the opinion of the Special Representative, to make the trust territory economically self-supporting within a measurable period of time? As we know, the interior of New Guinea is probably going to be wasteland, from the view point of agriculture, for a long period of time. Nevertheless, there are the coastal areas where cocoanut trees and other crops can be grown; there are the other islands. Can it be made economically self-producing within a measurable period of time?

Mr. HALLIGAN: That is the object of our plans, and we consider that it will be possible to do so. That is one of the reasons why we are diversifying the types of crops to be grown there. Copra was the main, and practically the only, agricultural crop -- in fact, the only agricultural export. Copra has fluctuated so severely over the last twenty years, from a period where we had to guarantee a price and assist the industry to keep alive, to the present time when there is a highly satisfactory price so far as the producer is concerned. But we feel that we cannot rely on copra as a stable foundation for an economic future, and we are therefore going in for diversifying the type of crop. In that way, we consider that the territory should be able to produce, in time, its own needs in the matter of crops and also in the matter of food.

A very large quantity of tinned meat is produced. Our plans for development include animal husbandry and the extension of the animal industry so as to provide the meat, of which, as I mentioned, a considerable quantity is now imported. That would provide the meat there in the territory. In this way, the territory will, to a very large extent, supply its own needs and have a surplus for export, and thus bring about economic stability. The stage will be reached -- we do not know how far away it is -- when there will not be need for very large financial assistance to the territory. It will be a sound economic proposition. We cannot say when that stage will be reached, but that is our objective.

Mr. CARPIO (Philippines): I should like to find out what monetary system is being used in New Guinea.

Mr. HALLIGAN: What system?

Mr. CARPIO (Philippines): I should like to know what monetary system is used, what currency.

Mr. HALLIGAN: Australian currency is used there, plus a small territory currency, consisting of shillings, sixpences and pennies. The Australian banknotes are used.

Mr. CARPIO (Philippines): -How much is one shilling in New Guinea money as compared to cents in American money ?

Mr. HALLIGAN: There are twenty shillings to the pound. I should have to use some arithmetic on that question. A shilling is a twentieth of a pound, and there are three dollars to the pound.

Mr. FORSYTH (Australia): I have perhaps had a somewhat longer experience than Mr. Halligan with this problem.

Nominally, the dollar is worth six and about one-half Australian shillings.

Mr. CARPIO (Philippines): I am very poor in mathematics. How many cents, American money, would one shilling be?

Mr. FORSYTH (Australia): Roughly, fifteen cents, nominally; but the values are very different. The nominal value would be fifteen cents; the actual value in Australia or in New Guinea would be much higher.

Mr. CARPIO (Philippines): I read with a great deal of interest the passage on page 12 of the printed Report on the Rehabilitation and Advancement of Natives, where it is stated that an attempt is being made to raise the minimum native wage of five shillings per month -- that would seventy-five cents, American money, per month -- to fifteen shillings per month -- which would be two dollars and fifteen cents, American money, per month, at the augmented rate of fifteen shillings per month.

Has this change -- raising the minimum wage of the laborer from seventy-five cents, American money, per month to two dollars and fifteen cents, American money, per month -- already been made?

Mr. HALLIGAN: Yes, that change has been made.

Mr. CARPIO (Philippines): How long has this minimum wage of five shillings -- or seventy-five cents, American money -- per month been invoked in New Guinea?

Mr. HALLIGAN: That was the rate back in the times of the German administration, so it has been in operation all during the time of the Australian administration under mandate.

Mr. CARPIO (Philippines): I take it, then, from that statement, Mr. Halligan, that during these present times of rising prices, the minimum wage of a New Guinea native is two dollars and fifteen cents, American money, per month?

Mr. HALLIGAN: The native is not affected by the rising prices, because his remuneration consists of a cash payment and rations, housing, medical attention and everything else. That is all provided for him in addition to the cash payment of a minimum of fifteen shillings per month.

Mr. CARPIO (Philippines): I notice, however, on that same page of the Report, that, while the minimum wage in New Guinea for labour is seventy-five cents, American money, per month; in Papua, the minimum wage is double that amount, or one dollar and fifteen cents, American money, per month. Why is there this difference, this disparity in the amount of the minimum wage as between the two territories?

Mr. HALLIGAN: There is no definite reason. They were two separate administrations, with two separate native labour laws, and the prescription of the minimum was, in the case of New Guinea, five shillings and, in the case of Papua, ten shillings. However, there was no particular reason which I could give for the difference.

Mr. CARPIO (Philippines): On page 14 of the typewritten Report, document T/138, I notice that, in the whole administration of the Papua-New Guinea territory, there is what is considered as a classified position, which I take to be the classified civil service of that territory, and that there are 1,583 positions in that category of classified positions or civil service, all of which are occupied by Europeans. Has there been no New Guinea inhabitant or native who somehow, within the past twenty-eight years, has qualified to a degree which would permit him to occupy even the lowest of these classified positions; or is it the policy of the administering authority to employ only whites?

Mr. HALLIGAN: No; natives are employed, as will be seen from page 19 of the document from which the representative of the Philippines just quoted. On that page, there is a list and the figures as to the number of natives employed in various trades, crafts and capacities.

Mr. CARPIO (Philippines): But I am talking of these classified positions which are listed starting on page 14 of document T/38, where the first sentence says:

"There are 1,583 classified positions (European) in the Public Service of Papua-New Guinea, comprising the following:" and then there is a list thereunder, for the next four or five pages, of the various positions, from the chief administrator to the lowest positions, such as telephonist.

Therefore, what I should like to find out is this: has there been no native of New Guinea who has qualified enough, to a degree to entitle him or her to one of even the most menial of these positions listed under classified service?

Mr. HALLIGAN: That is a classification for the European staff, and natives are not included in it, but in answer to your question, I refer you again to the table on page 19, to show that natives are employed in similar classes of positions as included in the European classifications, such as Engineer, Medical Orderly, Driver-Mechanic and Wireless Telegraphy Operator. These titled positions are somewhat similar to those included in the European classifications.

Mr. CARPIO (Philippines): I was cognizant of that, and I was coming to that point, too. I noticed that in answer to question 21, on page 14, the various classifications, positions, and salary range per annum are given, whereas in this list on page 19, for the native inhabitants, who are supposed to have been given a chance to occupy the positions listed thereunder, occupation and administration servants, ^{where} and/wages are given, I call particular attention to the word "salary" under the classification of classified positions, European classification, and this classification of native positions under page 19. Now the wages on page 19 are given in terms of shillings and pence. Are those monthly, daily, or yearly salaries or wages?

Mr. HALLIGAN: They are monthly. There again, they are in addition to the provision of rations, clothing, housing, hospitals, and so on.

Mr. CARPIO (Philippines): Let us start with General labourer which is the first listing on page 19. He receives seventeen shillings and three pence, or a monthly salary of \$2.53 in United States money per month. Is that the best that the Administration can give to a native labourer?

Mr. HALLIGAN: I must point out again that that is the cash payment in addition to the provision of rations, clothing, housing, and medical attention. As your first remark is affected by the cost of living, you will see that he does not have to make those provisions himself; the cost

of living does not affect it. He gets that amount of money after all those requirements of life have been supplied to him.

Mr. CARPIO (Philippines): In other words, a labourer would save \$2.53 a month?

Mr. FORSYTH (Australia): Could I expand the comment I made earlier on the question of the nominal and real value of this currency? The nominal value of the shilling would be about fifteen cents; the real value would be considerably more. From experience in the past two years in both Australia and in the United States, I can assure Mr. Carpio that the nominal value is by no means the same thing as the real value, and I can give him two concrete illustrations.

I know that it costs, from experience, about \$400 in the United States to have a baby; to have a baby in Australia at the same standard, with the same attention, would cost less than \$100; that is to say, the costs are about one-fourth in that particular matter.

To have a dinner in the United States, one pays about \$3. The same standard of meal can be had in Australia, or in the capital of New Guinea, in Port Moresby or Rabaul, for \$1, so that while the nominal value of the shilling is about fifteen cents, the real value is about three times that, and almost everybody, whose experience I have checked on this matter, agrees with me: that the real value in terms of what you can buy, in terms of living, the real relationship of the dollar and the shilling is not six and a half shillings to the dollar; it is more like 2 or $2\frac{1}{2}$ shillings to the dollar; that is to say, the real value is about three times the nominal value in terms of these more elementary goods of life.

Thus, if comparisons are made, I think that we ought to consider the real value as well as the nominal value.

Mr. CARPIO (Philippines): I appreciate the explanation given as regards the amount of \$2.53, but even then this would mean no more than \$5, \$6, or \$7, by giving the real value of the earnings of the labourer.

I just want to ask one more question about land tenure. This question of land tenure is not very clear to me, and I want to have a clear picture of the whole question of land tenure. The Special Representative mentioned a while ago that about ninety percent of the tillable area, or tilled area, of New Guinea is owned by natives, either individually or through the clan. How did this come about? Was that by fiat, law, or was it a consideration given by the Administration to the native inhabitants?

Mr. HALLIGAN: Right from the beginning it was treated as land belonging to the natives, and any land required by the Administration or by any non-native person had to be purchased from the natives.

Mr. CARPIO (Philippines): When the Administration wants to purchase a parcel of land or a big tract of land -- let us say from the natives -- how is the price determined? Is it by negotiation by the administering authority, on the one hand, or the individual owner or clan on the other?

Mr. HALLIGAN: It would be determined by the Administration Officer discussing and treating with the natives and assessing in negotiation with him the purchase price of the land.

Mr. CARPIO (Philippines): In other words, the purchase price would be a matter of individual contract?

Mr. HALLIGAN: That would be so, yes.

Mr. CARPIO (Philippines): It is not supervised by a definite standard as determined by law or regulation?

Mr. HALLIGAN: There are so many variations that it is not possible at present.

Mr. CARPIO (Philippines): Are these lands in New Guinea covered by title? How is ownership covering these lands given?

Mr. HALLIGAN: There is no written title in the case of native-owned land, but when land is purchased from a native and becomes Administration land, ^{it} then comes under the Land Ordinance of the Territories, under which leases are issued, varying in terms up to four periods, according to the class of lease that is given ^{and} the purpose to which the land is to be put. It runs up to a ninety-nine year lease as the maximum.

Mr. CARPIO (Philippines): In all these cases where native land is purchased by the administration as just described, is such land ever sold to individuals with title in fee simple -- full ownership -- or is it always disposed of by way of lease?

Mr. HALLIGAN: During the German occupation of the Territory certain freehold or fee simple titles were issued; the Australian Government recognizes those and continues the freehold nature of the holding, but while it has been the administering authority there it has not granted any further freeholds and its policy is to grant leasehold only.

Mr. CARPIO (Philippines): I am glad of that, because it would seem to show the solicitude of the administering authority in keeping the land intact. May I ask what becomes of the land in the event of the termination of the lease granted by the administration to a private individual or company? Does it revert to the natives who were the original owners or does it revert to the administration as Government property?

Mr. HALLIGAN: Most of the leases permit of renewal, but if a lease is not renewed the land reverts to the administration as administration land, and as such is available to be leased again.

Mr. CARPIO (Philippines): There is no policy on the part of the administering authority ever to dispose of this reverted land to private individuals or companies?

Mr. HALLIGAN: When you say "dispose" you mean in fee simple?

Mr. CARPIO (Philippines): Yes.

Mr. HALLIGAN: No, definitely the policy of the Government is leasehold, with no granting of land in fee simple.

Mr. CARPIO (Philippines): If and when the time comes, under the provisions of the Charter, for New Guinea to be given independence, what will become of these administration lands which have been bought from the natives from time to time and which have reverted to and have been held by the administration?

Mr. HALLIGAN: They would then belong to the administration as set up under the new regime which you visualize. That is to say, the Government of the Territory, when the day is reached for New Guinea to become independent, will be the administration, and the lands now held by the present administration will be held by the future administration.

Mr. CARPIO (Philippines): In other words, should New Guinea in the near or distant future become independent, all those administration lands will be ceded to the future independent New Guinea Government? Or will they be held by the Australian Government?

Mr. HALLIGAN: That is a matter which has not yet been considered, but I cannot foresee any other course, if the Territory becomes an area of independent Government, but that the administration land will follow the Government and belong to the Government of the independent area. That is something which we have not yet considered, but I should say that that would be the course which would be followed.

Mr. CARPIO (Philippines): Do I understand from your replies to previous questions that at the present time there is no more than approximately ten per cent of the tilled area under administration by the Government?

Mr. HALLIGAN: Yes. Perhaps I might clear that up by quoting a few further statistics. The Territory is estimated to contain

93,000 square miles or 24,000,000 hectares, of which 365,000 hectares have been alienated. The alienated land comprises 210,000 hectares of freehold, 63,000 hectares of leasehold, 80,000 hectares held by the administration and 10,000 hectares vested in the Director of District Services and Native Affairs as trustee for the natives. At the close of the year, and the position will be the same now, of the 24,000,000 hectares in the Territory 23,700,000 still belong to the natives.

Mr. CARPIO (Philippines): Are you reading from any part of the Report?

Mr. HALLIGAN: No, from a document I have here; I am sorry, but we do not seem to have that information included in the Report. In other words, of the 93,000 square miles only about 5,000 square miles, on a rough calculation, have been alienated at the very most. That amount has been bought from the natives, the balance still belongs to the natives.

Mr. PADILLA NERVO (Mexico)(interpretation from Spanish): What is the system of taxes? Is there direct taxation or are all taxes indirect as we gather from the Report?

Mr. HALLIGAN: There is no direct taxation in the Territory either on individuals or on companies. The taxation is of an indirect nature and is largely through import customs duties and license fees of various kinds.

Mr. PADILLA NERVO (Mexico)(Interpretation from Spanish): Does that mean that the natives, when they acquire imported merchandise, pay exactly the same tax as the white employees of the administration or the companies working in the Territory? Is the payment equal for one and the other?

Mr. HALLIGAN: It would be equal over all. An article imported into the Territory, costing a certain amount -- say one pound -- would carry a customs duty of say two shillings and would be sold for one pound two shillings. That would be the selling price to everyone.

Mr. PADILLA NERVO (Mexico)(Interpretation from Spanish): Under that system, while a price of two and a half dollars is not prohibitive to people of the administration, for a native on the other hand it is a very high price and we must admit that the proportion in the payment of the tax is very different between the native and the white.

Mr. HALLIGAN: Again, the articles which the native requires for his subsistence in accordance with the prescribed diet scale are provided for him. There is no taxation there; it is the employer who is required to pay it in purchasing those items for the native's consumption. The native does not purchase them; as a native labourer, they are provided for him.

(Interpretation from Spanish):

Mr. PADILLA NERVO (Mexico): Then can I understand that the natives do not need to spend money to live?

Mr. HALLIGAN: The amount of the cash actually received by the native as part of his wages need only be spent on what one may describe as luxury items. He receives sufficient in rations, clothing, hospital treatment and housing, as part of his employment, to enable him to live.

(Interpretation from Spanish):

Mr. PADILLA NERVO (Mexico): One of the articles that is most bought in that territory is the electric light bulb. With this system of indirect taxation and the proportion of salary which the native receives, then he pays a tax that is much higher for him than it would be for a white man. A native has to work so much harder to get two dollars than the white man, who can get that money more easily. Therefore, the tax on electric light bulbs represents so much less work for the white man than for the native. Therefore, I think a system of indirect taxation should be introduced whereby there is some proportion in this matter, and in which there would not be a heavier burden on the native population.

Then I should like to put another question. As I understand it, if a gold deposit is discovered, the administration has direct control over these lands. In accordance with this bill of 1921-1927 the land of the natives where gold deposits might be discovered could also be a material for exploitation upon the basis of paying money so as to make up for any damage which might be produced by the use of the land. I should like to know whether the tribal owners or the native owners of the land have any right, apart from the profit of these lands which are taken away from them under the system of land control, or whether they have any way of getting any benefit from the gold deposit which might be discovered on their land.

Mr. HALLIGAN: The compensation payable to them is the benefit that they get. This is described in page 74.

(Interpretation from Spanish):

Mr. PADILLA NERVO (Mexico)/ But they only receive compensation if there is some damage. If there is no damage, then they would not receive a single penny.

Mr. HALLIGAN: That is so.

Mr. PADILLA NERVO (Mexico) (Interpretation from Spanish): Concerning this particular item, on page 43 of the printed Report it is stated that during the year 1946-1947, gold was produced to the value of 179,548 Australian pounds. According to the statement on page 24, the duty obtained by the Government for this gold amounted to 11,000 Australian pounds. I should like to know whether, aside from these sums which appear in the Report, the administration obtained any greater benefit in the matter of duty on the export of gold. That would be another item by which the administration might obtain a greater yield in duties or taxes from the gold which is produced in New Guinea.

Mr. HALLIGAN: The levy made by the administration upon the production of gold is at the rate of a royalty of 5 percent. The rate of 5 percent of the value of the gold exported goes to the administration, and is a source of revenue. That is the only rate imposed, apart from the other items such as license fees. The main item of revenue to the administration from the gold-mining industry is the royalty of 5 percent.

Mr. PADILLA NERVO (Mexico) (Interpretation from Spanish): I gather from page 19 of document T/138 that the administration exploits on its own account some mining property. Is that correct?

Mr. HALLIGAN: It is not correct.

Mr. PADILLA NERVO (Mexico) (Interpretation from Spanish): I should like to know whether the administration has ever considered the possibility of having the right to exploit or to increase the duties on the exploitation of minerals, so as to obtain a better balance in the administrative budget.

This would be used to bring direct benefit to the natives, and not to increase the salaries of the personnel of the administration. The increase in these duties on mining products could be used for the construction of schools and roads and thus be of direct benefit to the natives. Has the administration any projects such as that in mind, or is it going to continue with this idea of a royalty of 5 percent of the gold produced?

Mr. HALLIGAN: That has not been examined in detail since the resumption of civil administration. The rates of royalty and other fees has not been examined. At the present time, in the giving of effect to the Government's plan for the development and advancement of the native the money is being supplied largely by the Australian Government. I have already quoted the amounts, but I might mention them again. The extent of the revenue secured in the territory, and in this case I refer to both territories, since 1945 has amounted to 1,300,000 Australian pounds, and the amount of money supplied by the Commonwealth Government to supplement that revenue has been 4,800,000 Australian pounds. The question of the revenue to be obtained in the territory, of course, must be reviewed each year from the point of view of the revenue secured and the amount of funds provided. The Commonwealth Government is providing the funds to give effect to its policy, as can be seen from these figures.

Mr. FORSYTH (Australia): Could I make one brief comment on this particular point. The mining in the main gold field is a particularly expensive business, due to the inaccessibility of the area. The area is surrounded by precipitous mountains, and, at any rate before the war, it was necessary to fly heavy machinery over the mountains into the gold fields.

The machines were sent up in sections by air freight. That was a peculiarly expensive way of setting up those enterprises. Also, it is mining of an industrial kind. It is large-scale type of mining and it is not the kind of enterprise which inhabitants of the territory could initiate or manage for themselves. However, as Mr. Halligan has pointed out, the inhabitants do not suffer any loss because they are compensated for the destruction, if it occurs, of the surface of the land and, on the other hand, they do gain because of the levy on the yield of the gold fields which goes into administration funds and which are devoted to purposes of administration, and also to social services.

Mr. KHALIDY (Iraq): Mr. Forsyth told us that it costs \$100 to have a baby in Australia, and it costs \$400 to have a baby in the United States, although he did not say why or how, or who bears the responsibility for that discrepancy. May I ask Mr. Halligan how much it costs to have a baby in New Guinea?

Mr. HALLIGAN: I do not have those figures readily available.

Mr. KHALIDY (Iraq): To go on with the report, as of 30 June 1947, a census of the non-native population had been taken in Australia. Could Mr. Halligan tell us the population at present, of Europeans and natives, if those figures are available?

Mr. HALLIGAN: The figures for the non-indigenous population are available. Those figures are: 6,200. The census of 30 June 1947 disclosed the non-native population as being 6,200 for the trust territory of New Guinea.

Mr. KHALIDY (Iraq): Are they all European?

Mr. HALLIGAN : The Europeans number 3,400; the Chinese number 1,769; the Filipinos number 280. Those are the main items.

Mr. KHALIDY (Iraq): Could the Special Representative give us an approximate number of the natives?

Mr. HALLIGAN: As mentioned in the report, a complete census has not yet been taken and the only figure we can work on is the one of 1941, 680,000. But we know that in certain areas of the territory during the war, there was a severe loss of life; so that I cannot furnish a really reliable figure of the native population at the present time. I would only say that it was somewhere in the vicinity of 600,000, plus two or three hundred thousand who have not yet been included in the census. The census has been taken and we hope, that by the time of the next report we will be able to furnish a reliable figure as to native population.

Mr. KHALIDY (Iraq): I think that the military authorities could have had the information as to how many of non-indigenous population and the indigenous population lost their lives because of the war. Are there figures available now?

Mr. HALLIGAN: Those figures are not available from the military, and they will not be available until a census is taken of the villages, based on the figures formerly known. We are up against considerable difficulty there in the loss of all records. The loss occurred in the native population in a large measure, during the period of Japanese occupation. Therefore, we have to reconstruct from whatever material is available, and then find what the population is at the present time, to avoid any confusion.

Mr. KHALIDY (Iraq): I asked those questions because the census was taken on 30 June 1947 and the report states that the result is not available for this report. I should have thought that it at least would be known to the Australian Government, if it is not included in the Report.

Turning to page 9 of the mimeographed report, under the heading "Natural Resources, Flora Fauna" there is a somewhat surprising statement to the effect that detailed information under these headings is contained in the Official Handbook of New Guinea, copies of which have been made available to the Secretary-General of the United Nations. It may have been my fault but I have not seen this Official Handbook. However, could Mr. Halligan give us a general idea of the natural resources, excluding flora and fauna. In other words, what are the mineral resources; and I am going to ask him, after that, who is exploiting or developing those mineral resources. I believe Mr. Noriega asked a similar question, but mine is slightly similar.

Mr. HALLIGAN: I understood that copies of the New Guinea Handbook which is the Official Handbook of New Guinea, would have been available to members of the Trusteeship Council before this. If they are not available, I shall certainly arrange for such copies to be sent, so that each member of the Council will have one. It is a book of considerable detail and description.

The mineral resources of the territory are as follows: Gold is the only resource being developed. A search is being made for mineral

oil, but it has not been disclosed yet whether or not it is there in the territory. The gold mining is carried out by individuals and by companies. There is gold mining in the Sepik District and the Keravat District, which is the Bougainville area. By far the largest amount of gold mining is in the Moresby District, in the Bulolo.

As I described earlier, the major part of the gold is aluvial gold, obtained by dredges, and the Aluvial Gold Company is operating those dredges.

Mr. KHALIDY (Iraq): How much is the earlier output of the development of gold?

Mr. HALLIGAN: The figure is quoted in the further section of the report, but I have some later figures. For 1946-1947, there were 18,000 ounces of gold and for 1947-1948, so far as it goes, it was 21,000 ounces. The pre-war figure was 491,000 ounces.

Mr. KHALIDY (Iraq): Would it be possible to know how much the value is of that amount, in the present market, all together, the yearly gold output.

Mr. HALLIGAN: For what period.

Mr. KHALIDY (Iraq): We can take it for last year the latest available statistics for the whole year. How much is it worth in the present day market.

Mr. HALLIGAN: The figure for the last complete year 1940-1941, shows that the value of the gold was three million pounds.

Mr. KHALIDY (Iraq): Developed by companies and individuals?

Mr. HALLIGAN: That is true.

Mr. KHALIDY (Iraq): Could we know how much those companies and individuals are paying in taxes?

Mr. HALLIGAN: They are paying five per cent by way of royalty, and the value of the gold that is exported.

Mr. KHALIDY (Iraq): Could Mr. Halligan tell us how much of that money, in his opinion, is going to the welfare of the indigenous population? I am aware that he explained, in answer to Mr. Noriega's question a few minutes ago, what the Australian Government spends on the territory, but, in his own opinion, does any of the money of the gold developed in the territory -- the three million dollars in 1941 (and I am sure far more by 1947 or 1948) -- in an indirect way go to the alleviation of the sufferings of the indigenous population, due especially to their services in the war?

Mr. HALLIGAN: I do not quite understand the question -- particularly the latter part: "to alleviate the sufferings". Could that be a little more specific?

Mr. KHALIDY (Iraq): To be more specific, by their own showing, the Australian Government has declared that a great part of the territory of New Guinea was ravaged by the war. Many villages were completely destroyed. The authority itself does not know how many thousands of the indigenous population were killed or dispersed or rendered homeless. There can be no question of the fact that the indigenous population not only suffered from a war in which it had neither a say nor a hand, but also offered personal sacrifice in the way that it fought with Australia against the Japanese. Surely, Mr. Halligan would recognize those as sufferings and sacrifices. To what extent are these sufferings alleviated and these sacrifices, so to speak, compensated for, at least in part, through the development of gold in the territory -- directly or indirectly?

Mr. HALLIGAN: I did not query the question in relation to the sufferings or sacrifices of the natives, but rather because I wanted to be clear in my own mind as to how the amount of money expended in relation to the alleviation ~~for~~ those conditions came from the revenue obtained from gold. It is not possible to identify the expenditure against the revenue from gold; that is, to give a percentage of how much was spent on any individual item.

However, in regard to the assistance given to the natives who have suffered, both in person and in property, it will be seen in the Report that there is reference to a war damage scheme. The money for that war damage scheme is provided by the Commonwealth Government, and there the natives are paid directly and the hospital services are all paid from the funds of the territory, which consist of the revenue of the territory plus the grant by the Commonwealth Government. It would not be possible to say what particular item was paid out of money secured in the territory and what was paid out of money supplied by the Australian Government, because it all goes into one pool.

Mr. KHALIDY (Iraq): Do those companies operate, on their own, any popular services; that is to say, any hospitals or any schools? Do they operate on their ^{own any} special enterprises which would benefit the indigenous population in any way?

Mr. HALLIGAN: Yes, particularly in relation to health. The education part comes under the administration, but, particularly in relation to health and the amenities of the conditions of living, they do make provision.

Mr. KHALIDY (Iraq): Could Mr. Halligan give us a little more explanation as to this. What do they do? Do they operate hospitals?

Mr. HALLIGAN: Yes, they operate hospitals and have medical officers and medical assistants there.

Mr. KHALIDY (Iraq): How many hospitals?

Mr. HALLIGAN: There would be only one in Bulolo, which is a compact area, but in other areas there would be one attached to each operating company. They are required by the native labour ordinance to provide medical facilities and medical treatment for all their employees, and, in that ordinance there is a provision which states that a hospital has to be provided over a certain number of employees.

Mr. KHALIDY (Iraq): The taxes those companies pay, I take it, go straight to the Exchequer of the Government of Australia; is that correct?

Mr. HALLIGAN: No, as I have explained, the taxes -- that is, the five per cent royalty on gold -- are paid in the territory and go into the revenue of the territory. The revenue of the territory consists of that royalty and such other revenue as the administration in the territory obtains, plus the amount paid by the Commonwealth Government to the administration of the territory, which credits that also to its revenue. The amounts paid do not come to the Australian Government itself; they come to the administration of the territory, which is, of course, under the Australian Government.

Mr. KHALIDY (Iraq): Could Mr. Halligan give us a general idea of the yearly net profit of some of those companies, for the last year -- the balance sheet, so to speak?

Mr. HALLIGAN: No, I am afraid I have not even an indication of that available.

Mr. KHALIDY (Iraq): You do not have even a rough idea? Could you take the biggest company, the richest of them all, and tell me how much they netted last year, in pure profit?

Mr. HALLIGAN: I do not have that information available.

Mr. KHALIDY (Iraq): Is it possible to get it somehow?

Mr. HALLIGAN: It is published information, I think; I just do not have it here. It is published, and if the Council wishes, I have no doubt it could secure it.

The PRESIDENT: If that question is raised, and if it is so desired, I suppose the information may be furnished, perhaps in the next report.

Mr. HALLIGAN: Yes.

Mr. KHALIDY (Iraq): May I ask Mr. Halligan how many miles of roads there were before the war and how many there are now?

Mr. HALLIGAN: Before the war, there was a total of about 790 miles of vehicular roads. That would probably be increased by about 200 miles at the present time. A number of roads were built during the military time in the territory, but not a great amount of them are suitable for civil and administration needs. However, one road which was constructed and which has been maintained now is from Iae to Wan, a distance of about 100 miles.

Mr. KHALIDY (Iraq): Could Mr. Halligan tell us what is the average income of the indigenous inhabitant -- if at all, if he has an income?

Mr. HALLIGAN: What is the average income?

Mr. KHALIDY (Iraq): Yes, the average income, per capita.

The PRESIDENT: The question was as to the average income of the indigenous population, per capita.

Mr. HALLIGAN: I am afraid I cannot supply that information; I have not calculated it. That also could be obtained, if the Council wished it, and included in the next report.

Mr. KHALIDY (Iraq): What is the basis of the income, as an economic system?

Mr. HALLIGAN: There are very few natives with an income as we understand it -- a cash income.

The indentured labourers receive, as I have explained, rations and a cash payment. His income is there, the value of his rations and his cash payment. The native living in his village has, in a great many cases, no use for cash. His means of subsistence are provided from his gardens; there are other natives who are more closely situated in the more advanced areas and developed settlements of the Territory. When I say "developed", I mean it is more populated from the non-indigenous angle. Those natives obtain income by trading in coconuts, copra.

The PRESIDENT: I notice that there are still several representatives who would like to ask questions. I suggest that the Council recess until 4.45.

Mr. REID (New Zealand): I should like to ask some questions relating to the industrial development of the territory. I notice on page 23 and 24 of the printed Report a statement of the financial conditions of the territory, and it appears that the revenue produced from the territory only covered about twenty-five percent or less of the expenditure in the territory. I should like to ask whether that is an abnormal condition as a result of the war, or has it continued for some time and is it expected to continue for some time? Secondly, I should like to ask whether the amounts being paid by the Commonwealth Government from outside the territory are being lent or given to the territory. If they are being lent, on what terms are they lent and how long it will be before the amounts have to be paid back?

Mr. HILLIGAN: Compared with the pre-war situation, the financial situation is abnormal. I have mentioned before that the administration then received a revenue of about 500,000 Australian pounds and their expenditure just about co-incided with that amount. As has just been mentioned, the revenue now obtained from the territory is about one-quarter of the expenditure, and the balance is made up by funds provided by the Commonwealth Government. These funds are provided in the form of grants, not loans.

Mr. REID (New Zealand): The revenue for the year 1946-47, being 464,000 Australian pounds, is very close to the pre-war revenue, and with I presume that this expanded programme there will be a continued deficit. I should like to know what the plans are of the administration in the development of the territory to reduce this deficit and enable the territory to support the expenditure especially as we are hoping that the expenditure on public health, education and social affairs will be increased in the future.

Mr. HALLIGAN: It is hoped that the plans for the economic development of the territory and its resources will result in revenue being obtained from the territory sufficient to cover the expenditure, and such expenditure on the basis of the plans that have been set up and are now being put into operation. It is also realized that it will probably be a considerable time before that position is reached.

Mr. REID (New Zealand): The discussion we have had earlier in regard to development has been along the lines of the agricultural development -- the production of copra, coffee, cocoa, tea, all crops which are exported out of the territory and which are very susceptible to world market conditions. I wonder if the administration sees any prospect of an early development of a light industry of a type that would provide the consumer requirements in the territory and that would be more stable.

Mr. HALLIGAN: With regard to these items, as I have mentioned earlier, we hope to develop them, and particularly in the case of rice of which there is a considerable importation into the territory. We hope to arrive at the position where the production of the territory would meet the local requirements. That applies also to tobacco. There is no tobacco, or very little, grown in the territory at present, but there is a very considerable importation.

There is comparatively very small production of meat, and the plans that are being put into operation provide for animal husbandry and extension or establishment of an industry that will produce sufficient meat for local consumption in the Territory, and do away with the the necessity for a large importation.

Mr. REID (New Zealand): I notice the statement on pages 34 to about 40, particularly pages 36 and 37 of the printed report, - that apart from the foods that Mr. Halligan mentioned, the major items of import are machinery, textiles, and apparel. I wonder whether there is any of the apparel and textiles imported for the native population, or whether, like the metals and machinery, that is almost entirely for Europeans and does not affect the natives.

Mr. HALLIGAN: Apparel would be very largely for the natives; that is, their lap-lap. I do not know how to describe it. It is not a loin cloth. There is a very large quantity of that imported because every native wears one of those.

Mr. REID (New Zealand): If I recall, in Ruanda-Urundi there was the development of a cotton industry, not only the growing of cotton but also the processing of it so as to reduce the dependency of the Territory on outside sources. I wonder whether there is any prospect of a similar development in New Guinea in this regard.

Mr. HALLIGAN: Experiments were made as to the suitability of the Territory for the growing of cotton. They were made in a small way and were not persisted in. Not that the Territory has proved to be not suitable, but, no doubt, as an item of production that will be looked into in the future, the possibility of growing cotton. Whether it will be possible at all to manufacture up there cannot be predicted at the moment.

Mr. REID (New Zealand): I have one final question. Taking into account all these questions, does Mr. Halligan then believe that in the near future any increase in social services and similar amenities and can only come from an increase in the grant from the Australian Government, / that there is not any immediate prospect of increased revenue from the Territory to cover increased expenditures?

Mr. HALLIGAN: They are the indications at present, that the Territory revenue would not be sufficient to carry out the plans, and that the Commonwealth Government Fund would be necessary to give effect to them.

The PRESIDENT: The Chinese delegation has a few questions to ask because, in the first place, some of its questions have already been asked in the preliminary examination, and other questions have been touched upon by other representatives, but there is one question which the Chinese delegation would like to have some further clarification on, and that is on page 3 of document T/138, the question of gold-mining which has been the subject of several questions. The Chinese delegation first asked this question, and it feels that it has not received a reply on the specific point which was raised by the delegation. Page 3 of document T/138 contains a question, Question 6:

"If gold is found in the Territory, are the owners of such land given any title, or, if they are expropriated, how are they compensated?"

In other words, the Chinese delegation feels that the owner of land has the right to wealth underneath the surface, and it would be the case in any other country. If exploitation of the mines should be allowed, then the owner of such land should be properly compensated.

We have been told that the assessment would be based on the amount of damage likely to be done to the surface of the land or to any improvements upon the land. It seems to me that an owner of land having in it wealth in minerals below the surface should be compensated not for damage that is done on the surface but for the wealth that is taken out below the surface. And if the royalty of five per cent on the export of such gold and other minerals is levied, and even if it is used for administration and the general purposes of the Territory, it still remains that the owner of the land is not compensated at all. That is the question I should like to ask; whether the owner of such land has any claim or title to the profits that are taken out of the land?

Mr. HALLIGAN: The answer to that enquiry is no.

The PRESIDENT: Would that be the case under Australian law? Say, for instance, in Australia or in other parts of Australia if an owner should find that there is a mineral deposit on his lands, could the land be taken away for mining purposes by assessment of the possible damage done to the surface?

Mr. HALLIGAN: I do not think I have enough knowledge of that to answer the question so far as Australia is concerned.

The PRESIDENT: It is, of course, a very good thing that the royalty or revenue derived from such mining undertakings ^{is} reinvested for the good of the Territory, but it seems to me that in the case of the natives, the right of property should also be protected; in other words, he should be compensated in some way other than mere assessment to possible damage to the surface.

In the course of the discussion, reference has been made to the wages paid. I am entirely able to take into account the necessary difference between wages paid to a European and wages paid to a native

because of the different modes of living and also because of the necessity of inducing a European to accept such a position in such a territory, and I also take into account the difference in the purchasing power of the money. On pages 18 and 19, where the indigenous population is classified on the Government payroll, if you compare it with the same category of employment listed on page 18, and with the comparable employment on page 19, it seems there is a great discrepancy between the wages paid.

I should first of all like to ask whether, in regard to native employees, as listed on page 19, they are paid in kind as the labourers? For instance, the engineer who receives forty-six shillings and three pence a month: would that be in addition to certain payments in kind like food, clothing, and shelter?

Mr. HALLIGAN: Yes, that is the cash payment, but in addition, the native is provided with rations, medical attention, and housing.

The PRESIDENT: That applies to engineers, telephone operators, and so on?

Mr. HALLIGAN: Yes.

Mr. SAYRE (United States of America): I do not want to interrupt the President but I have also been asking myself precisely the same question. In that connection, I want to ask Mr. Halligan whether, in the classified service, the salary range is the annual salary?

Mr. HALLIGAN: Yes, that is by the year.

Mr. SAYRE (United States of America): The other salary is monthly?

Mr. HALLIGAN: Yes.

Mr. SAYRE (United States of America): As I understand it, the annual salary is a payment on a cash compensation and does include everything; whereas the monthly wages shown on page 19 are merely a small part of the return; namely, the money return; and do not include housing or rations or clothing or medical services and so forth. Am I correct, Mr. Halligan?

Mr. HALLIGAN: That is quite correct. The salary range, / means that for the European, an officer starts at the first figure, that is, the minimum; and progresses by increments to the second figure, which is the maximum, and that is the amount of money paid to him, out of which he has to buy everything he wants.

In the case of the native, the figure mentioned is the cash that is paid to him, in addition to which he receives all the things that are necessary to enable him to live.

Mr. SAYRE (United States of America): Excuse me for interrupting, Mr. President, but I asked myself precisely the question which you put.

The PRESIDENT: I wish to say that any question on the same point may be asked at any time, because that helps to bring out relevant information and actually sometimes saves time, because the other representatives do not have to begin all over again by way of asking questions.

Now, if the reply to Mr. Sayre's question is understood correctly, then the salary paid to a European, as listed on page 18, is an annual salary.

Mr. HALLIGAN: Yes, it is an annual salary.

The PRESIDENT: Do the European employees get clothing and food and shelter and other payments in kind, as the natives do?

Mr. HALLIGAN: Oh, no, the European employee has to supply those himself and pay for them out of the salary he receives.

The PRESIDENT: And the wage paid to the natives, as listed on page 19, is on a monthly basis?

Mr. HALLIGAN: Yes.

The PRESIDENT: In that case, then, an engineer, according to the schedule on page 18, for Europeans, receives 378 shillings a year; and an engineer, according to the schedule on page 19, for natives, receives 46 shillings a month. Is that correct?

Mr. HALLIGAN: That is correct, but the first figure is not in shillings.

The PRESIDENT: Is that in pounds?

Mr. HALLIGAN: Yes. The European is paid in pounds and the native in shillings.

The PRESIDENT: I thought so, but I was merely comparing here.

However, in this case, there would still be a great discrepancy. My point is this: In the case of the native employees, if they have risen to the category of engineers and other fairly responsible positions, is it not possible that they should be paid a living wage so that they can manage their own mode of living, rather than for the Government to prescribe the kind of diet that they should have and give them only a minimum cash wage?

Mr. HALLIGAN: There are two answers, I think, to that.

In the case of the European engineer receiving 378 pounds, it is quite possible that the actual cash available to him after he has paid his cost of living would be very small. As for paying the native an overall cash payment and allowing him to make his own arrangements for his food, I am afraid the position has not yet been reached with the native inhabitants where that would be ^a practicable scheme. In some cases, of course, it is, but generally that would not be practicable at present.

The PRESIDENT: May I ask why it is not practicable? Does that mean to say that the native population is so incapable of managing its own affairs that it cannot determine its own mode of living, if given a living wage?

Mr. HALLIGAN: Well, they can determine their mode of living. It is rather difficult to answer that. If they were left to themselves and given that money, they might not use it to the best advantage in procuring the foods that are best for them; whereas we have prescribed for these natives a diet that has been scientifically investigated as the diet that is most suitable to advance their physical conditions.

The PRESIDENT: But it seems to me that the proper diet is not as important as the self-respect that is due to an individual who has received the kind of training necessary to fulfil this kind of position - a self-respect which is difficult to keep when everything has to be prescribed for him, from food to all the other necessities of life.

Now, Mr. Halligan, I believe the representative of Mexico has raised the question of income tax and the effect of the absence of income tax and the emphasis on the customs duty of the increased cost of consumption to the natives. Mr. Halligan answered by saying that the natives are given the proper diet and so on, and the money given them is really for luxury purposes; in other words, that the natives are given enough to live on in kind. But that seems to me to apply only to natives who are employed as labourers. What about the large portion of the population who are not employed and therefore are not given payments in kind? Would ^{not} the cost of the necessities of life, which has been increased as a result of the import duties to the exclusion of ^{other} duties, be rather a hardship on the greater part of the population? I have in mind, for instance, the textiles for clothing and also some other necessities of life.

Mr. Halligan has given a partial answer as to those who are employed as labourers, but for the majority of the population, would it not be a hardship?

Mr. HALLIGAN: A large proportion of the natives live in their villages and are not in constant and close touch with the settlements of the territory.

They provide their own clothing by natural means - the bark of trees - and they have their own methods of making their clothing. They provide their own necessities of life through their gardens, and they would not use imported foodstuffs or textiles. Other natives who do use them and are not under employment would, as the President suggests, have to pay the same price as anyone else. In that case, they are paying the indirect taxation that is included in the selling price of the goods in the territory.

The PRESIDENT: Are the labourers also supplied, besides food, with clothing?

Mr. HALLIGAN: Yes.

The PRESIDENT: Still, for the large proportion of the population, the increased cost of necessities would mean that most of them are excluded from the enjoyment of some of the goods which ^{it} would otherwise be possible for them to enjoy, would it not?

Mr. HALLIGAN: Well, when they had reached the stage of depletion on those goods, they would then have to turn to the use of them, but quite a large number of them at the present time do not use them; they live from their own efforts, and their gardens and ^{have} their own means of producing the clothing that they require.

Mr. HALLIGAN: It might be of assistance if I gave a brief outline of the things that are laid down so far as labour is concerned.

The PRESIDENT: Mr. Halligan has told us that because of the fact that Papua has been combined with New Guinea the tariff on imported goods would be governed by the same terms would be given to other trading countries as to the Commonwealth. I should like to ask the representative of Australia whether that is a policy to which the Australian Government is committed.

Mr. FORSYTH (Australia): I have no precise information on that particular point. I agree with the answer that Mr. Halligan gave earlier, but if the Council wants a governmental answer, I shall have to ask for it. I cannot conceive that the answer would be any different from that which Mr. Halligan gave.

Mr. CARPIO (Philippines): I should like to ask a question in connection with Mr. Halligan's answer that the food and clothing of the employees listed on page 19 of document T/138 are paid for by the Government. Are these items of food and clothing paid for out of the budget as listed on page 24 of the printed report, and if so under which item of this list of expenditures do they come?

Mr. HALLIGAN: They are paid for by the Government and are listed under the various departments employing the natives. For instance, on page 24 of the Report is the figure of 26,000 pounds in respect of the Government Secretary's Department. The food and clothing of natives employed by that Department would be included in that figure. Similarly with the figure of 93,000 pounds for police; that would include the payment of wages and the cost of food and clothing for the natives employed by the police department. Likewise for each other department.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): I should like to receive details and clarifications about the ownership of land and the exploitation of land, in particular figures showing what amount of land in New Guinea is owned by natives, what amount is owned by the administration of the trusteeship territory and what amount is not in the hands of the natives or the administration but in the hands of other groups of the population, including the various companies?

Mr. HALLIGAN: As I explained earlier, the area of the territory is 93,000 square miles, and of that only about 365,000 hectares, or about 5,000 square miles, has been purchased from the natives and belongs to the administration or has been leased by the administration to non-natives. The balance of the territory belongs to the natives.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): How has this purchase been effected, the purchase of the land, and what price was paid for the land?

Mr. HALLIGAN: The method of purchasing land from the native is, as I have already explained, that the land can only be purchased from the natives by the administration, and the administration having purchased the land, then leases it. If it wants it for its own purposes, of course it retains it, but if it is wanted by a non-native, the land is then leased by the administration, in accordance with the land boards of the territory. The method of purchasing the land, if it is required by a non-native, is for the person concerned to view the land that he requires, and inquire of the natives whether they are willing to sell. If the natives intimate that they are willing to sell, the person requiring it then goes to the District Officer and states that he wishes to secure that land and that the native is willing to sell.

The Administration Officer then gets in touch with the native, confirms that he is willing to sell, and the Administration Officer, on his own behalf, then determines whether the sale of such land would be detrimental to the interests of the native. If he determines that it would not be detrimental, he authorizes the sale and the sale is then made between the Administration Officer and the native. The price varies in different parts of the territory. There is no standard price; there is no set price for land. It is a matter for determination and negotiation between the Administration Officer and the native.

Having secured that land, the land board in the headquarters of the territory, considers the application by the person concerned for the lease of that land, and if it is approved that a lease be granted, the land is then granted under the terms of the land ordinance.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): If I understood Mr. Halligan correctly, he said that 93,000 square miles represents the whole territory of New Guinea.

Mr. HALLIGAN: That is correct.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): How much of this territory of 93,000 square miles is tillable, that is, suitable for cultivation? I understand that 93,000 square miles is the entire territory of New Guinea, including lands which cannot be cultivated, jungles, and arid lands, rock, and soon. How much of this 93,000 square miles is land which can be cultivated and which can be exploited for agriculture?

Mr. HALLIGAN: That land covers the whole land area of the territory, and I have endeavoured to describe to the Council the fact that large areas of that territory are very rugged country. I am unable to give an estimate -- or even a guess -- at this moment, as to what would be arable or tillable land.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): How is the land purchased from the natives; how is it done? Do they receive payment from the administration in pound sterling, or is there some other form of purchase effected here? What does the native receive for the land which he sells? Does he receive money, or what?

Mr. HALLIGAN: It would vary in varying parts of the territory. Where the natives are used to dealing with money, Australian currency, and a purchase is made from them, they will be paid in Australian currency. In other parts of the territory, where there is native money, they would be paid in native money, or, again, in other parts they might be paid in goods, the things that they require. There may be parts where money does not circulate freely and they would not be able to spend the money even if they were given it.

In those areas, they would paid in the materials that they require.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): What materials, for instance, are given to natives in lieu of money?

Mr. HALLIGAN: In the inland parts of the territory, an item which is most desired by them is steel, knives and axes. Those people there are steel hungry. They have their own primitive tools and they have seen the use which is made of the more modern tools, and they are very anxious to get those. That is an example of the class of material that would be supplied to them, the things that they want most.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): From whom is this land purchased? Who is the juridical person on the side of the natives in such a land purchase? Is it the head of the native family, or is it the head of the clan, or is it somebody else?

Mr. HALLIGAN: The ownership of land is not uniform throughout the territory. As I have explained, there are variations in customs and in everything throughout the territory. In some parts, the land is owned individually by the natives and that is generally the case. In other parts, it is owned by the family or the clan. In the purchase of the land from the natives, the negotiations would be with the individual, where it is individually owned, or with the head of the clan where it is owned by the clan.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): When owners sell their land, how do they proceed? Do they sell part of the land they own, or do they sell all their land?

Mr. HALLIGAN: The determining factor in how much land they sell is the investigation of an administration officer, who ascertains whether or a portion the sale of the whole / of the land to be sold would be detrimental to the interests of the native. If it would be detrimental, then the administration officer would not permit the sale.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): What happens to the natives who sell their land and then remain without land? What means have they for supporting themselves after they have sold their land?

Mr. HALLIGAN: A circumstance such as that cannot arise because, as I repeat again, the land sale would not be permitted if the native were left without land. The native must have sufficient land if he is to remain there with his family to support. A sale whereby a native would be left without land would not be authorised by the administration officer.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): What are the dimensions of a plot of land which, in the opinion of the administration, is sufficient to support a native family?

Mr. HALLIGAN: That, again, would vary very largely according to the fertility of the land. In some areas, a very large area would be necessary, and the type of cultivation undertaken by a native in his natural state makes a large area necessary. They have a system of cultivation which extends from one area to another. One area will be cultivated, and the adjacent area will be cultivated next year. There

is a rotation, not of crops but a rotation in the use of the land extending, perhaps, over ten years before they get back to their original plot, and this extends over a large area of the country.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): If on a plot of land owned by a native family, or by a number of families, gold is found, what takes place then with the land of the natives? Do they remain on their land, or do they receive an offer for their land, or is the land taken from them by compulsion?

Mr. HALLIGAN: That enquiry is very similar to the enquiry made in the earlier examination of the Report, to which a reply is given on page 3 of document T/138.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): The reason I ask is that in the Report it is stated that the native family is not expropriated in such a case. I cannot find a direct answer to my question on page 3 of the Report.

If gold veins are discovered on land which belongs to a native, what happens? Is the native offered a price for the land or is his land expropriated, though further on the Report says that no land belonging to natives is included in expropriated land? I should like to understand what takes place when gold is discovered.

Mr. HALLIGAN: I shall read from the bottom of page 3.

"The protection of the owners of such land is --

1. Native Land - Any person intending to mine on or under land not alienated by the Administrator which is owned and occupied by natives shall, before beginning any mining operations or any new mining operations, give notice to the Warden of his intention and of the nature of the operations.

"Upon the receipt of a notice under the last preceding subsection, the Warden shall, subject to this Ordinance assess the amount of the damage likely to be done to the surface of the land or to any improvements upon the land, and shall require the person so intending to mine the land to deposit with him the amount so assessed, and until that amount is deposited no mining operations shall be carried on either upon or under the land.

"The Warden shall hold the amount deposited as security to be paid either wholly or in part to the natives if they sustain any damage from injury to the surface, or to the improvements on the land, and the remainder, if any, shall be returned to the person making the deposit.

"The Warden shall not permit any operations which, in his opinion, will cause substantial damage to a native village or to any native lands, unless the natives who would be injured thereby give their consent thereto in his presence, and then only subject to such conditions as he approves."

That is the course that is followed when gold is discovered on native land.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): Therefore, if gold is found on land belonging to a native, the person who wishes to exploit this gold vein receives the right of working out this vein despite the fact that there is no contract with the owner of the land. In any case, the person who wants to mine the land receives the right to exploit the gold.

Mr. HALLIGAN: There is one point on which I should ask clarification. Mr. Tsarapkin said "despite the fact that there is no contract with the owner of the land." Exactly what is the inquiry? What sort of contract?

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): I was not speaking of contracts. Agreement is the correct word. From what you read to us I understand that if gold is found on land belonging to a native or natives, a person who wishes to mine the gold can receive permission to mine the ore by means of a permit issued by the Warden. The Warden gives the permission if a certain amount is deposited by the person who wishes to mine the ore. The deposit is to cover possible damages to the surface of the native-owned land. The situation is that the person wishing to mine the gold can, with the permission of the Warden, begin the exploitation of the gold on the land belonging to a native without having any agreement or consent from the native owner.

Mr. HALLIGAN: This miner can begin to mine the gold on land belonging to a native if he has permission from the Mining Inspector or Mining Warden, as you call him. But nothing is said about the rights of the native; nothing is said, and therefore he does not have to have any agreement with the natives to begin to exploit the gold.

Mr. HALLIGAN: I shall refer to the last paragraph of the passage which says:

"The Warden shall not permit any operations which, in his opinion, will cause substantial damage to a native village or to any native lands, unless the natives who would be injured thereby give their consent thereto in his presence..."

There is where that would come under the terms of the agreement referred to. As I see it, the native is consulted there.

The PRESIDENT: I think the question is whether the operation of a mine on native land can be authorized without the consent of the native. Mr. Halligan's answer only applies to the cases where there is a possibility of injuring the surface of the land, and in such cases the consent of the owner would be required. But I mean if it is a case of no possible injury to the surface, then the language does not seem to indicate that the consent of the native is necessary.

Mr. HALLIGAN: Except in the earlier part the Warden's authority is to be given, and they must give notice to the Warden:

"...the Warden shall, subject to this Ordinance, assess the amount of damage likely to be done to the surface of the land...and shall require the person so intending to mine the land to deposit with him the amount so assessed, and until that amount is deposited no mining operations shall be carried on either upon or under the land."

Then there is the further paragraph later on which precludes the Warden if very substantial damage is likely to occur to the land, from giving authority to mine the land unless the native's consent is given.

The PRESIDENT: I think that that is what exactly prompted that question of the representative of the USSR. The language seems to indicate that if the Warden does not seem to think there would be any substantial damage to the surface, he can give permission without the consent of the native.

Mr. HALLIGAN: That is so, in the normal course.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): Regarding the sum which is deposited by the person who wishes to mine the gold for possible damages in developing the ore vein: how is this sum calculated, and what does it amount to?

Mr. HALLIGAN: I do not have that information readily available. It would be prescribed in the Ordinance or Regulations.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): Further on, paragraph 2, page 4, where it speaks of "Alienated Land", it mentions the fact that there is a sum "not exceeding five pounds." Can that be understood to mean that in this case when we mean native owners, the sum is the same: five pounds sterling?

Mr. HALLIGAN: Where is the reference to five pounds?

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): In document T/138, at the top of page 5.

Mr. HALLIGAN: This is on alienated land. This means "land which is held by any person for an estate in fee simple, or which is lawfully contracted to be alienated to him."

This is land that has been bought from the natives, as apart from the native land. The first dealt with native land, as I described it: the land belonging to the natives. Alienated land means land that has already been bought from the natives and is held by the administration/^{or} by another person. Part 2 relates to land other than native land.

The PRESIDENT: May I intervene here? I recall that, in reply to a question by the representative of the Philippines, it was stated that there was only leasehold and no fee simple. Is there a contradiction in this passage?

Mr. HALLIGAN: I think I explained at that time that, during the German regime, land had been granted in fee simple, and the Commonwealth Government has honoured that grant and continued it. However, since the Commonwealth has been administering the Territory, leasehold only has been granted.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): The question has already been asked with regard to forestry. From the Report, we see that there is a whole series of forms of agriculture, the products of which serve for export purposes. Are there any enterprises of local industry at the present moment in the Territory of New Guinea? If not, what are the plans? That is the same question asked by the representative of New Zealand but I should like to know what plans exist for the development of local industries, and the part that the native population could take in such enterprises.

Mr. HALLIGAN: Dessicated cocoanut is an industry which was formerly established in the Territory, and certain interests are now about to re-establish those dessicated cocoanut factories. Apart from that, there are at the moment no other industries in project, but as the Territory develops, I have no doubt industries will grow up.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): My next question would concern the next section. I wanted to speak about rations and to put two or three questions about the rations that workers receive and the hiring of labour etc. Should I put those questions now or wait until that section has been reached?

The PRESIDENT: Does Mr. Tsarapkin want to ask those questions now?

Mr. TSARAPKIN (Union of Soviet Socialist Republics): Yes.

The PRESIDENT: Before Mr. Tsarapkin asks then, I should like a further clarification on this fee simple question.

The section which Mr. Halligan quoted goes on to say that:

"Alienated land means land which is held by any person for an estate in fee simple, or which is lawfully contracted to be alienated to him for an estate in fee simple under the Land Ordinance 1922-1935..."

The language here seems to indicate that fee simple is an estate under that Ordinance. Is there any interpretation?

Mr. HALLIGAN: Are you using the word "alienated" to relate only to fee simple?

The PRESIDENT: I understood that there was no fee simple since the German occupation, but the land ordinance here seems to allow for alienation of an estate in fee simple.

Mr. HALLIGAN: That I think would relate to land in respect of which the final document has not been issued; the grant of the land was made during the German occupation and in a number of cases the actual title to it has not yet been issued. Special arrangements have had to be made to secure the information on the titles issued by the Germans, because the records at that time were lost. During the interval such information as we could get has been collected and has been put into a form in which it would come under the land ordinance, but in many cases the actual title to the land has not been issued. Moreover, it would relate to properties that were expropriated and sold by the Commonwealth Government on terms, and these properties have not yet been paid for or at any rate the full payment has not yet been made. Therefore, the title to the land, which will be freehold in those cases/ⁱⁿ which freehold was granted, has not yet been issued. That would be explanation of the expression "lawfully contracted to be alienated".

The PRESIDENT: I ask these questions not because there is any great difference as far as the interest of the native is concerned but just to get the record straight.

Mr. TSARAFKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): Does the native population continue to live on land which has been purchased by the administration from the natives and which has become the property of the administration --- the so-called alienated land -- or does it have to evacuate such land?

Mr. HALLIGAN: They do not continue to live on such land; it would be land secured for the purpose of being made into a plantation. If they were actually using the land at the time of the purchase, they would move to other land owned by them; if they were not using it, of course, there would be no need for any disturbance of their existing place of living.

Mr. TSARAFKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): Why was it necessary to develop scientific rations or a scientific diet for the native population? What were the reasons for that?

Mr. HALLIGAN: The ration for native labourers had been prescribed for many years, but during the course of the army occupation of the territory a variation was made in the prescribed diet and it was seen in certain cases that the natives responded better to certain items being included in their diet. This caused the Government to have the formerly prescribed diet investigated by its nutrition experts, and as a result of that investigation the diet which is now in operation was prescribed in place of the former diet. There were variations in diet as between New Guinea and Papua and the diet now prescribed, after examination by our nutrition experts, is regarded as one which would be most beneficial in the conditions and circumstances of the native labourers.

Mr. FORSYTH (Australia): In many parts of the South Pacific area and in many of the Pacific islands it has been found that native diets are deficient in varying degrees in different places. Certain studies have been carried out, and others are at present projected by the Governments responsible for territories in that region. I think that one of the reasons why the standard scale of diet was prescribed in New Guinea was the fact that in their native state the peoples did not always have a satisfactory diet.

The PRESIDENT: Many of us still do not.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): In the establishment of these scientific principles, in the form of nutrition for the natives, do you have in mind to augment the normal diet of the natives, or to replace certain products which they used before, by other products which they did not use before?

Mr. HALLIGAN: This is the diet prescribed for native labourers, that is, labourers on plantations and other projects. This prescribed diet replaces one of a similar nature. It is not applicable to the native living in his village, where he lives on native foods.

There is one item in this diet which might illustrate the variation as between what I might call the European type of diet and the native type. Item one on the daily ration scale provides for one of the following: rice, biscuits, bread, dried native sago, wet native sago, kau kau, sweet potato, jam or taro. Of those, you will notice that rice is prescribed, which is an alternative, and biscuits ^{or} bread, or any one of those four native diets. In varying quantities, in the case of rice, it is a pound of rice, or, in the case of taro, it is three and a half pounds of taro. That has been worked out as the equivalent, on the advice of our nutrition experts, and that is the diet that should be prescribed with those alternatives in those proportions.

Mr. TSARAPKIN (Union of Soviet Socialist Republics) (Interpretation from Russian): Why was it necessary to replace taro with rice? Is that connected with the utilization of land upon which taro was cultivated before and upon which rice is now cultivated? What was the reason for taro being replaced by rice.

Mr. HALLIGAN: Taro is not being replaced by rice. This one item is for rice, such and such quantity, or there is taro, for such and such quantity, which must be supplied to the native. That is the alternative. If the

native preferred taro and rice was not available, well he would have taro. If he preferred rice, he would have rice. It is not that one has replaced the other, but they are alternatives.

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): I have a question, but that question concerns the social aspects of the report.

The PRESIDENT: We have not come to that part yet. Does the representative of the USSR have any other question?

Mr. TSARAPKIN (Union of Soviet Socialist Republics)(Interpretation from Russian): No.

The PRESIDENT: This concludes the examination of that portion of the Report which deals with economic advancement. Tomorrow the Council will deal with the other two functional fields.

The drafting Committee on Ruanda-Urandi is requested to meet at 10:30 a.m. in Conference Room 7, tomorrow morning. The Drafting Committee on the Report on Tanganyika is requested to meet at 10:30 a.m. in Conference Room 5 tomorrow morning.

The meeting is adjourned until 2 p.m. tomorrow.

The meeting rose at 6.10 p.m.