



TRUSTEESHIP COUNCIL

Thirty-second Session

OFFICIAL RECORDS

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President: Mr. André NAUDY (France).

Present:

The representatives of the following States: Australia, China, France, Liberia, New Zealand, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

The representatives of the following specialized agencies: International Labour Organisation; United Nations Educational, Scientific and Cultural Organization; World Health Organization.

AGENDA ITEMS 4 AND 6

Examination of annual reports of the Administering Authorities on the administration of Trust Territories for the year ended 30 June 1964:

(c) New Guinea (T/1632, T/1642, T/L.1090) (*continued*)

Reports of the United Nations Visiting Mission to the Trust Territories of Nauru and New Guinea, 1965:

(b) New Guinea (T/1635 and Add.1) (*continued*)

QUESTIONS CONCERNING THE TRUST TERRITORY AND REPLIES OF THE REPRESENTATIVE AND THE SPECIAL REPRESENTATIVE OF THE ADMINISTERING AUTHORITY AND OF THE ADVISERS TO THE SPECIAL REPRESENTATIVE (*continued*)

At the invitation of the President, Mr. Gunther, special representative of the Administering Authority for the Trust Territory of New Guinea, took a place at the Council table.

1. At the request of Mr. Chiping H. C. KIANG (China), Mr. McCARTHY (Australia) asked the President to invite Mr. Guise and Mr. Toliman to take places at the Council table.

At the invitation of the President, Mr. Guise and Mr. Toliman, advisers to the special representative of the Administering Authority for the Trust Territory of New Guinea, took places at the Council table.

2. Mr. Chiping H. C. KIANG (China) asked the special representative whether members of the House of Assembly would tour the districts of Papua and New Guinea to study political development possibilities there, and whether they would also visit other countries for that purpose.

3. Mr. GUNTHER (Special Representative) replied that, apart from tours of the districts, sixteen members of the House of Assembly had already visited Australia in 1965 to familiarize themselves with the operation of Australian institutions; another member of the House had had an opportunity to visit Japan.

4. Mr. Chiping H. C. KIANG (China), referring to paragraph 132 of the report (T/1635 and Add.1) of the United Nations Visiting Mission to the Trust Territories of Nauru and New Guinea, 1965, asked whether the Administration's difficulties in the New Hanover district were due solely to the people's refusal to pay taxes.

5. Mr. GUNTHER (Special Representative) said that most of the inhabitants of that district were now paying taxes and that some who still refused to do so had been fined or imprisoned.

6. Mr. Chiping H. C. KIANG (China) asked why the Tolai people in the Gazelle Peninsula opposed the Tolai Cocoa Project.

7. Mr. GUNTHER (Special Representative) explained that the fermentaries established by the local government councils under the Tolai Cocoa Project, which processed the wet beans, paid the growers a lower price than the private-enterprise fermentaries. In addition a small group of growers who were opposed to local government councils apparently preferred to sell their beans outside the council areas.

8. Mr. Chiping H. C. KIANG (China) asked the special representative whether the authorities on the Island of Bougainville had reason to be worried about the law governing mineral rights.

9. Mr. GUNTHER (Special Representative) replied that, as in most countries, the owners of land had no right to work the minerals below the surface. It was possible, however, that the Administration would review that law, which contained no provision concerning expropriation or the payment of royalties.

10. Mr. Chiping H. C. KIANG (China) asked the special representative what were the new provisions in the ordinance concerning local government councils now in force.

11. Mr. GUNTHER (Special Representative) said that, under the latest Local Government Ordinance, an appointed Commissioner for Local Government appointed, in his turn, advisers to local government councils. The councils had the power to make rules, to impose and levy taxes, to borrow money, to organize and finance any business or enterprise, to arrange for the improvement of land, and to levy taxes for parochial needs and for the construction of roads, schools and health clinics. Under the new law, the Commissioner for Local Government could upset some decisions of the local government councils if they were contrary to the rules laid down in the Ordinance or contrary to order. Local government councils were being developed as rapidly as staff could be appointed. Some electoral areas, such as that of Mr. Guise, were constantly asking for more councils to be set up, but the rate of their establishment was still too low. Mr. Toliman, on the other hand, had found that the members of some communities refused to join local government councils.

12. Mr. Chiping H. C. KIANG (China) said that he had noted in the report of the Mission sent to the Territory by the International Bank for Reconstruction and Development,^{1/} with which the members of the House of Assembly were presumably acquainted, that, where agriculture was concerned, the Mission had expressed itself in favour of decentralization, delegation of power and division of labour; he asked whether the Administration intended to act on those suggestions.

13. Mr. GUNTHER (Special Representative) said that, as he understood it, the Director of the Department of Agriculture did not wholly approve the conclusions set forth in the Bank Mission's report, which had been debated in the House of Assembly on 31 May 1965. Several officers of the Department of Agriculture were engaged in field research; that work should be co-ordinated and the plans laid down should be sent to Bank Headquarters for review.

14. Mr. Chiping H. C. KIANG (China) asked the special representative what the Administration had done to change the land tenure system and thus promote economic development.

15. Mr. GUNTHER (Special Representative) said that seminars and lectures had been held in an effort to convince the people of the need to change the traditional land tenure system. When the Administration had proposed the conversion of communal land to individual tenure, the Papuan and New Guinea members of the Legislative Council had objected, though a number of communities in such areas as Popondetta and Warangoi were willing to make the conversion. However, the matter had not been debated in the House of Assembly.

16. Mr. Chiping H. C. KIANG (China) asked the special representative what he thought of the measures advocated by the Bank Mission to encourage industrial growth in the Territory and, in particular, of the idea of facilitating the export of New Guinean products to Australia.

17. Mr. GUNTHER (Special Representative) said that he failed to see what further facilities could be provided for the admission of the Territory's products to Australia; the Territory was already supplying all the coconut oil and 80 per cent of the coffee Australia consumed, exporting its entire output of rubber and half its output of cocoa to Australia, etc. In addition, rubber and coffee received tariff protection.

18. Mr. Chiping H. C. KIANG (China) asked whether, if the Australian Government accepted the Bank Mission's recommendation that Australian producers should be encouraged to establish factories in New Guinea rather than to export their products to that Territory, the Administering Authority would take special measures to safeguard the interests of New Guinea.

19. Mr. McCARTHY (Australia) said that that was a matter of economic policy and planning related to the particular circumstances. He was therefore unable to answer the question.

20. Mr. Chiping H. C. KIANG (China) asked whether Australia allowed capital from other countries to be invested in New Guinea.

21. Mr. GUNTHER (Special Representative) replied in the affirmative; Australia was considering, for example, admitting Japanese capital to the Territory, and capital from the United Kingdom was already invested there.

22. Mr. Chiping H. C. KIANG (China) said that he understood the Administering Authority to be preparing an economic development plan on the basis of certain recommendations of the Bank Mission. He asked whether that plan would be submitted to the House of Assembly and to the local government councils.

23. Mr. GUNTHER (Special Representative) said that the general principles of the plan had been approved by the House of Assembly on 13 May 1965; in addition, the local government councils would be called upon for decisions concerning such objectives as were primarily their concern.

24. Mr. Chiping H. C. KIANG (China) noted that the 1965 Visiting Mission, in its report (T/1635 and Add.1), had held it to be necessary that the Administering Authority should reaffirm its determination to provide the same development and the same future for Papua and New Guinea. Both countries did in fact appear to have received the same treatment and to have undergone, to a certain extent, the same development. He asked whether any member of the Visiting Mission could explain why the Mission had made that recommendation.

25. The PRESIDENT, speaking as a member of the Visiting Mission, said that the Mission had found some uncertainty in the minds of the inhabitants of New Guinea and Papua on those matters and had felt that the Administering Authority should always be prepared to state that the two countries should have the same development and the same future.

26. Mr. Chiping H. C. KIANG (China) wished to know whether the draft constitution to be prepared by the

^{1/} International Bank for Reconstruction and Development, The Economic Development of the Territory of Papua and New Guinea (September 1964).

House of Assembly would reflect the views of the Visiting Mission.

27. Mr. GUNTHER (Special Representative) recalled that the newly established Select Committee on a constitution was to carry out an extensive survey in the Territory and would certainly give the views of the Visiting Mission the most serious consideration.

28. Mr. Chiping H. C. KIANG (China) asked Mr. Gunther what place should be given to agriculture, in his opinion, in the New Guinea educational system.

29. Mr. GUNTHER (Special Representative) replied that agriculture already occupied an important place in the school curricula. Some people in the Territory wished to increase still further the agricultural bias of the courses. Educators, for their part, considered —as did he—that primary education should be general in nature and should not have a vocational bias.

30. Mr. Chiping H. C. KIANG (China) asked the special representative to clarify the meaning of the passage in the report of the Commission on Higher Education in which it was said that the Chimbu-speaking people would rival the Tolai fairly soon.^{2/}

31. Mr. GUNTHER (Special Representative) explained that the Chimbu were extremely energetic mountainers who had quickly adapted themselves to a money economy and who attached considerable importance to education. On the other hand, the Tolai, who came from the humid tropics and frequently suffered from the diseases of that zone, were an ambitious people and good farmers; however, they did not have the energy of the Chimbu, who had for some time been endeavouring to acquire and develop land abandoned by the coastal people.

32. Mr. Chiping H. C. KIANG (China) said that he had had the feeling, when he had been in New Guinea, that the Christian missions were engaging in a kind of competition to obtain the greatest number of conversions possible and that that had created some confusion in the minds of the people. He asked the special representative whether such competition was still continuing.

33. Mr. GUNTHER (Special Representative) thought it normal that there should be some confusion in the minds of a pagan people who were exposed for the first time to the differing tenets of the Christian religion. However, he felt that most missions tried to limit their activity to their own sphere of influence, although small missions might settle in an area where another mission was already established. Christianity was spreading rapidly throughout the country and the confusion to which the representative of China had referred was disappearing. The benefits brought by the missions were recognized by the people of the Territory.

34. Mr. Chiping H. C. KIANG (China) welcomed the statement, on page 49 of the report of the Commission on Higher Education, regarding the role of the English language in the process of modernizing the Territory—a role which the Commission recognized Pidgin could not play. However, he had been surprised

to note during his visit to the Territory that some persons were dedicating themselves to the propagation of such an imperfect language. He asked Mr. Gunther whether the use of that so-called Polynesian language was on the decline.

35. Mr. GUNTHER (Special Representative) said that no Pidgin was spoken in any Administration school. However, Pidgin was spreading not only in New Guinea but also in Papua. The Administering Authority, for its part, was doing its utmost to promote the use of English as widely as possible, and it did not encourage Pidgin in the mission schools or anywhere else.

36. Mr. Chiping H. C. KIANG (China) wished to know why the Administration had decided to postpone until 1967 the opening of the university which was to be established in the Territory.

37. Mr. GUNTHER (Special Representative) replied that there were two reasons. Firstly, the establishment of the university required large sums of money; secondly, it had been felt that the Commission on Higher Education had been too optimistic in considering that staff could be appointed and buildings constructed by 1 January 1966. However, while the first undergraduates would enter the Faculty of Education and the Faculty of Arts in 1967, the student body would enter the Administrative College in 1966.

38. Mr. Chiping H. C. KIANG (China) asked how many New Guinean students studying in New Guinea would be qualified for higher education in 1967.

39. Mr. GUNTHER (Special Representative) said that during the first years the students would be recruited primarily from among those employed in the Administration, particularly from among primary school teachers. He thought that twenty to thirty students in secondary education would be able to go on to the university in 1966-1967.

40. Mr. Chiping H. C. KIANG (China) wished to know whether Australia was encountering any difficulty in recruiting teachers for the secondary education extension programme.

41. Mr. GUNTHER (Special Representative) said that Australia was indeed having some difficulty in that regard, but it was in the process of organizing a cadet course in Australia for teachers in secondary education. Thus, the university graduates, the professors to be trained in the Territory itself, plus the teachers recruited in Australia and in other countries would make up the numbers needed to develop secondary education as planned.

42. In reply to another question from the representative of China, he said that, so far as he knew, the Administration did not propose to use for post-secondary education the twenty scholarships that were awarded each year to students pursuing secondary education courses in Australia. There had, however, been no firm decision on the matter. Under the proposals relating to university education, students would have four years of secondary education, plus one preliminary year at the university. However, students would have to attend universities in Australia to take courses which the Administration could not provide in the Territory in the early stages. Those

^{2/} See Report of the Commission on Higher Education in Papua and New Guinea (Canberra, 1964), p. 3.

students would have to have Australian matriculation, i.e., they would have to continue studying in Australia, unless the Administration could obtain a sufficient number from the non-residential high schools at Port Moresby, Lae and Rabaul.

43. Mr. Chiping H. C. KIANG (China) wished to know whether there was any possibility of merging the Co-operative College with the Administrative College.

44. Mr. GUNTHER (Special Representative) said that the colleges had two entirely different functions, and he did not think that there would be anything to be gained by merging them.

45. Mr. Chiping H. C. KIANG (China), recalling that in May 1965 the Minister for Territories had stated in the Australian House of Representatives that the Papuans and New Guineans would increasingly need to work for and accept responsibility for their own economic, social and political advancement, asked Mr. Toliman what his views were regarding the way in which the system of under-secretaries should be strengthened, as had been suggested by the Visiting Mission.

46. Mr. TOLIMAN (Adviser to the Special Representative) said that, at present, the Under-Secretaries read the reports submitted to them and asked the heads of departments for further explanations regarding the reports, whenever that was necessary. They would also like to be able, whenever any difficulty arose, to consult the responsible officials of the departments concerned. He was sure that that possibility was included in the Administration's future plans, but that the shortage of staff prevented it from being put into effect for the time being.

47. Mr. Chiping H. C. KIANG (China) drew attention to the statement, in paragraph 147 of the report of the Visiting Mission (T/1635 and Add.1), that Mr. Toliman had asked the Mission to press for economic as well as political advancement for the Territory, especially in the field of secondary industries. He would like to know what secondary industries Mr. Toliman had had in mind.

48. Mr. TOLIMAN (Adviser to the Special Representative) said that the first such industry should be one for canning fish, since there was an abundance of fish, especially tuna, in New Guinean waters. The Territory could also undertake the canning of meat or vegetables, and the manufacture of ropes, paper, soap, etc.

49. Mr. Chiping H. C. KIANG (China) asked Mr. Guise whether he still felt, as he had in 1962, that the indigenous representation in the House of Assembly should be enlarged.

50. Mr. GUISE (Adviser to the Special Representative) pointed out that a select committee on constitutional changes for Papua and New Guinea had been appointed; that was a clear indication that the people were being consulted on those changes. Of course, the people's views on that question must have changed since 1962.

51. Mr. Chiping H. C. KIANG (China) inferred from that reply that Mr. Guise was not committing himself on the question of representation.

52. There had once been a motion before the House of Assembly to the effect that some pressure had been put on the people and on the Administering Authority by the Trusteeship Council. He wished to know whether it was possible that any recommendations approved by the Council might be regarded as unreasonable or as constituting some kind of pressure on the people or on the Administering Authority.

53. Mr. McCARTHY (Australia) said that the people were very much aware of the interest which the United Nations took in their Territory; moreover they were kept informed of United Nations action. The question should be considered in that context.

54. Mr. GUISE (Adviser to the Special Representative) said that if any pressure was exerted in favour of education, health services or economic development, he did not think the House of Assembly had any objection. When it came to political pressure, however, the people, through their elected representatives, were very firm in saying that they must first be consulted and that the decisions were for them to take.

55. Mr. Chiping H. C. KIANG (China) considered that, with one exception, nothing could be found in the records of the Council's proceedings to justify the view that it was attempting to exert any kind of pressure.

56. Mr. McCARTHY (Australia) said that it was his impression that the motion mentioned by the representative of China had not been concerned only, or even particularly, with the Trusteeship Council's debates, but with the proceedings of all United Nations bodies. As everyone knew, discussions closely concerning New Guinea had taken place not only in the Council but also in the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, the Fourth Committee and the General Assembly. He would like to ask Mr. Guise if his impression was correct.

57. Mr. FOTIN (Union of Soviet Socialist Republics), speaking on a point of order, reminded members of the Council that the question of co-operation with the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples was on the Council's agenda. The members of the Council would do better to co-operate with the Committee than to try to distort the meaning of its work and its recommendations concerning New Guinea. It would also be preferable if they would refrain from misrepresenting the positions held by other delegations.

58. Mr. McCARTHY (Australia) said that it had certainly not been his intention to act in the manner described by the Soviet Union representative. He was perfectly prepared to withdraw the question which he had just asked.

59. In reply to a question put by Mr. Chiping H. C. KIANG (China), Mr. GUISE (Adviser to the Special Representative) said that, to his knowledge, no pressure had been exerted by the Trusteeship Council on the people of New Guinea, contrary to what seemed to be suggested by the report of the Visiting Mission.

60. Mr. Chiping H. C. KIANG (China) asked whether he was right in assuming that a review of the present system of parliamentary under-secretaries, which the Visiting Mission had considered necessary, would be within the purview of the newly appointed Select Committee of the House, of which Mr. Guise was Chairman. If so, he wondered whether such a review would be carried out with a view to strengthening the system.

61. Mr. GUISE (Adviser to the Special Representative) said that the Select Committee would submit to the people constitutional reforms and a draft constitution for Papua and New Guinea. However, under its terms of reference, it was not likely to discuss the present under-secretary system in the House of Assembly.

62. In reply to a question put by Mr. Chiping H. C. KIANG (China), Mr. GUISE (Adviser to the Special Representative) said that the Select Committee of the House of Assembly would also ask the people for their views on the adoption of a national flag and a national anthem. That question was already being widely discussed.

63. Mr. Chiping H. C. KIANG (China) asked whether the majority of the people in New Guinea would like the name of their country to be Papua and New Guinea, or just New Guinea.

64. Mr. GUISE (Adviser to the Special Representative) replied that the Papuans favoured Papua and that the New Guineans favoured New Guinea. If the matter were to be put to a vote, the result would be clear, for the New Guineans outnumbered the Papuans three to one. The matter was very delicate, but should be settled by the Select Committee of the House of Assembly. Perhaps New Guinea would win.

65. In reply to a further question from Mr. Chiping H. C. KIANG (China), Mr. GUISE (Adviser to the Special Representative) said that in the final analysis the people themselves would select the name of their country.

66. Mr. EASTMAN (Liberia) wished to know, in view of the provisions of the Trusteeship Agreement, the United Nations Charter, General Assembly resolution 1514 (XV) and other pertinent documents concerning decolonization, how much more time would be required by the Australian Government to terminate its trust in Papua and New Guinea.

67. Mr. McCARTHY (Australia) said that it was for the people of the Territory to decide when the trust should end. He would not attempt to guess how long it would take for the people to make that decision.

68. Mr. EASTMAN (Liberia) wondered whether he was to understand from that answer that if the people of Papua and New Guinea made no formal appeal to take over the administration of their own affairs, the Australian Government would continue to administer the country for ever.

69. Mr. McCARTHY (Australia) replied that that could not happen, for the people of the Territory could always make their wishes known through their elected representatives.

70. Mr. EASTMAN (Liberia) asked what had been the Administration's intention in providing ten seats in the House of Assembly for persons who were neither New Guineans nor Papuans and who nevertheless played a vital role in deciding the future of the Territory.

71. Mr. GUNTHER (Special Representative) said that the ten special representatives had been designated at the specific request of the people, who had recognized almost unanimously that there should be seats set aside for Australian businessmen or farmers. It was not true to say that those representatives were not inhabitants of the Territory: they were "non-indigenous" persons—Asians and persons of mixed race who had chosen Australian citizenship but who lived and could continue to live in the Territory and who, for that reason, would also be able to stand for election.

72. Mr. EASTMAN (Liberia) regretted that the special representative had misunderstood his question. He had been speaking, not of citizens of Papua and New Guinea, but of Australian, New Zealand or United Kingdom citizens. He asked whether it was not true that the people, in suggesting the composition of the House of Assembly, had said that no distinction should be made as to race but that, since they had had no experience of government, they had not provided seats for special representatives.

73. Mr. GUNTHER (Special Representative) said that that assumption was entirely wrong. It had been put to the people quite clearly that a number of non-indigenous people would probably be elected if they stood in open electorates; however, according to the evidence given to the Administration, such non-indigenous candidates were unlikely to be elected, and it had therefore been necessary to provide ten special seats in order to make sure that at least ten Australian farmers and businessmen were elected. As it turned out, four Australians, a New Zealander and an Englishman had been elected by the open electorates.

74. The expression "non-indigenous person" meant, not a British subject, but anyone who was a resident of the Territory and who did not have merely a temporary residence permit.

75. Mr. EASTMAN (Liberia) recalled that, according to the special representative, the budget estimates for the year 1965-1966 had been discussed and approved by the Under-Secretaries before presentation to the House. He asked whether the Under-Secretaries could have made changes in the estimates.

76. Mr. GUNTHER (Special Representative) explained that the estimates had been discussed by the Administrator's Council, on which five of the ten members were Papuans and New Guineans; four of those five were also Under-Secretaries. The Under-Secretaries had examined and approved all the budget items except one. The Administrator's Council had then examined the estimates and approved them.

77. Mr. EASTMAN (Liberia) asked how the Under-Secretaries could "assist" the various department heads or official representatives since, according to the special representative, they had no executive experience and lacked fluency in English.

78. Mr. GUNTHER (Special Representative) said that he himself was assisted by an Under-Secretary who spoke Pidgin and whom he consulted frequently on matters of policy and on the budget. The Under-Secretary had represented him in the Territory on more than one occasion, had accompanied him on his rounds, and advised him of the thinking of the people.

79. Mr. EASTMAN (Liberia) asked whether, if that was the case, the "assistance" which the Under-Secretary rendered the special representative consisted in representing him or in advising him of the thinking of the people.

80. Mr. GUNTHER (Special Representative) said that that was so.

81. In reply to a question put by Mr. EASTMAN (Liberia), Mr. GUNTHER (Special Representative) said that it was not true that an under-secretary could not vote against legislation once it had been brought to his attention by an official member of the House. Under-secretaries could vote as they saw fit, and they had used that right freely.

82. Mr. EASTMAN (Liberia), referring to the special representative's statement concerning the establishment of a select committee on political affairs, asked whether he was to understand that the Administration would not accept any political change if, in its opinion, that change was not compatible with social and educational developments.

83. Mr. GUNTHER (Special Representative) reminded the Council of the statement by the Minister for Territories, which he had quoted in his opening statement (1250th meeting), to the effect that it was not part of the Australian Government's thinking that the Territory must wait for self-government until it was economically viable. He had also mentioned the resolution adopted unanimously by the House of Assembly expressing the people's wish that they alone should be allowed to decide when the time was ripe for self-government. Economic and social progress would not determine the Australian Government's decision when the people sought self-government.

84. Mr. EASTMAN (Liberia) observed that there were no signs within the Territory that the indigenous inhabitants were being prepared to assume official or executive positions, although the special representative had said that that was the intention of the Administration. He asked whether, for example, the Under-Secretaries were now capable of representing a department in the House, thus replacing the official members of that department.

85. Mr. GUNTHER (Special Representative) said that he did not think that any of the Under-Secretaries would claim, at the present stage, that he could represent a department in the House. At least two of them, however, were participating actively in the working of departments; one was in Australia, where he was making his views known to Australian Treasury officials. As the Territory progressed toward self-government, the role of the official members would decrease in importance.

86. In reply to a question from Mr. EASTMAN (Liberia), Mr. GUNTHER (Special Representative) said that it was incorrect that only Australians or mem-

bers of the British Commonwealth were eligible to the House of Assembly of the Territory. There were a number of non-British people in the Territory—people of Chinese or Malay extraction, for example—who were entitled to enrol and to stand as candidates for the seats reserved for non-indigenous persons.

87. Mr. EASTMAN (Liberia) said that the legal representative of the Department of Territories at Canberra had told him in that connexion that if he, the Liberian representative, desired to stand for election to the House of Assembly of Papua and New Guinea, he could never be eligible.

88. Mr. GUNTHER (Special Representative) said that he had given his own interpretation of the electoral ordinance.

89. Mr. EASTMAN (Liberia) asked who were the parties to the agreement under which an Australian company had been granted certain mineral rights on Bougainville, what were the terms of the agreement, and what was the extent of indigenous participation, if any.

90. Mr. GUNTHER (Special Representative) said that the parties to the agreement were the Administration and the Consolidated Zinc Rio Tinto Company. Under the land and mining ordinances in force, minerals under the surface of the ground were the property of the State and not of the individuals living on the surface; that was the position in many countries. There was no agreement between the parties, on the one hand, and the indigenous people in the area, on the other, but there was no doubt that any pleas made by the latter would receive every sympathy and consideration.

91. Mr. EASTMAN (Liberia) expressed surprise that the Administration should talk about sympathy when the agreement related to the extraction of mineral resources owned by the people, who had not been consulted. He asked what the Administration, which had certain obligations as the Administering Authority, would do on behalf of those people.

92. Mr. GUNTHER (Special Representative) said that the licence issued was a prospecting licence, not a mining licence. If prospecting yielded no results and the company concerned did not undertake mining operations, there would be no harm done. In any case, minerals in most countries belonged to the State and could be exploited by the State.

93. Mr. EASTMAN (Liberia) asked why, after fifty years of Australian rule, no Papuan or New Guinean yet held any high administrative post.

94. Mr. GUNTHER (Special Representative) said that at least one Papuan was an assistant district officer. There were several indigenous graduates of the medical schools at Fiji and Guam who were interchangeable with their Australian colleagues; two of them had held the position of district medical officer—a higher post than that of assistant district officer. Others were headmasters of primary schools, or held executive positions in the Administration or the police. His own assistant was a Papuan.

95. Mr. EASTMAN (Liberia) observed that, according to the special representative's own statement, his assistant's work was more or less that of a clerk.

96. Mr. GUNTHER (Special Representative) said that he resented that unfair criticism of a fine Papuan officer.

97. Mr. EASTMAN (Liberia) referred to an article which had appeared in the March 1965 issue of the magazine New Guinea, advocating the adoption of a clearly formulated policy to encourage private investment and the retention of capital in the Territory. He asked whether the Administering Authority was endeavouring to encourage foreign investment in the Territory, which seemed to be essential, while at the same time ensuring that some of the profits from that investment were ploughed back into the economy.

98. Mr. GUNTHER (Special Representative) said that the Administration and the Australian Government were making every effort to increase the capital available in the Territory by offering, in particular, tax incentives, tax concessions and so forth. Some foreign capital was repatriated, it was true; but if investors were prevented from taking out their profits, the flow of capital would be completely cut

off. He mentioned the case of one company which had reinvested the whole of its funds in the Territory.

99. Mr. EASTMAN (Liberia) asked Mr. Guise for information on the dissatisfaction aroused in the Territory by the Public Service Ordinance of 1963 and by the amendment to it which he had presented in the House of Assembly.

100. Mr. GUISE (Adviser to the Special Representative) said that the amendment to the Public Service Ordinance had been presented jointly by all the elected members of the House of Assembly, many of whom had disagreed with the reduction of salaries. As a result of the disagreement on that point, an arbitrator had been appointed.

101. With regard to the dissatisfaction aroused by the Ordinance itself, several members of the Administration, public servants and employees of the Administration in his electorate had voiced their opinion and had supported the action of the elected members in presenting the amendment.

The meeting rose at 5.35 p.m.