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REPORT OF THE SPECIAL COMMITTEE ON THE SITUATION WITH REGARD TO THE IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES

VOLUME III

GENERAL ASSEMBLY

OFFICIAL RECORDS: THIRTY-SECOND SESSION SUPPLEMENT No. 23 (A/32/23/Rev.1)

UNITED NATIONS



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UNITED NATIONS

New York, 1979

NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

The report of the Special Committee is divided into four volumes. The present volume contains chapters XII to XXV.* Volume I contains chapters I-VI; volume II, chapters VII-XI; and volume IV, chapters XXVI-XXXII.

^{*}The present version of chapters XII to XXV is a consolidation of the following documents as they appeared in provisional form: A/32/23/Add.4 of 13 October 1977 and A/32/23/Add.5 of 23 September 1977.

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^{*}The Territory acceded to independence as the Republic of Djibouti on 27 June 1977.

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COCOS (KEELING) ISLANDS

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CHAPTER XII

COCOS (KEELING) ISLANDS

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, <u>inter alia</u>, to refer the question of the Cocos (Keeling) Islands the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1085th and 1086th meetings, on 8 July and 1 August.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly requested the Special Committee, inter alia: "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:
 - (a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly decision 31/406 D of 1 December 1976, whereby the Assembly requested the Special Committee, "in continued co-operation with the administering Power, to seek the best ways and means of implementing the Declaration with respect to the Territory...".

- 4. During its consideration of the Territory. the Special Committee had before it a working paper, prepared by the Secretariat (see annex to the present chapter), containing information on developments concerning the Cocos (Keeling) Islands.
- 5. Australia, both as a member of the Special Committee and as the administering Power concerned, continued to participate in the work of the Committee during its consideration of the item.
- 6. At the 1085th meeting, on 8 July, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1085), introduced the report of the Sub-Committee (A/AC.109/L.1181), containing an account of its consideration of the Cocos (Keeling) Islands.
- 7. At its 1086th meeting, on 1 August, the Special Committee adopted without

objection the report of the Sub-Committee on Small Territories and approved the draft consensus contained therein (see para. 9 below).

8. On 2 August, the text of the consensus was transmitted to the Permanent Representative of Australia to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

9. The text of the consensus concerning the Cocos (Keeling) Islands adopted by the Special Committee at its 1086th meeting, on 1 August 1977, to which reference is made in paragraph 7 above, is reproduced below:

The Special Committee, having heard the statements of the representative of Australia with regard to the Cocos (Keeling) Islands, notes with appreciation the continuing co-operation of the Government of Australia as the administering Power concerned in reporting on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960, concerning the Territory, and its continued preparedness to receive a further visiting mission in the Cocos (Keeling) Islands at an appropriate time. Bearing in mind the responsibility of the administering Power to create such conditions in the Territory so as to enable its people to determine fully their future political status, the Committee rotes with increst the decisions taken so far by the Government of Australia in the light of the conclusions and recommendations of the report of the United Nations Visiting Mission to the Territory in 1974. 1/ The Committee further notes the decision in principle of the Australian Government to establish an animal quarantine station in the Territory. The Committee considers that the station could play a useful role in diversifying the economy, expanding employment opportunities and enabling the acquisition by the people of new and valuable skills. The Committee suggests that attention should also be given to the possibility of developing a commercial fishing industry in the Territory. The Committee believes that a need continues for a programme of political education with a view to enabling the people of the Cocos (Keeling) Islands to exercise their right to self-determination, in accordance with the principles of the Charter of the United Nations and of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

^{1/} Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 23 (A/9623/Rev.1), vol. IV, chap. XX, annex.

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^{*}Previously issued under the symbol A/AC.109/L.1170.

COCOS (KEELING) ISLANDS a/

1. GENERAL

- 1. Basic information on the Co:os (Keeling) Islands is contained in the report of the Special Committee to the General Assembly at its thirty-first session. \underline{b} / Supplementary information is set out below.
- 2. The Territory of the Cocos (Keeling) Islands consists of 27 small coral islands in two separate atolls with a total area of about 14 square kilometres. It is situated in the Indian Ocean, approximately 2,768 kilometres north-west of Perth and 3,685 kilometres west of Darwin, Australia. The administrative headquarters of the Territory are located on West Island.
- 3. The largest segment of the population is now formed by the descendants of original Malayan settlers brought to the Territory in 1827 by John Clunies Ross, a Scottish seamen. Known as Cocos Islanders or Cocos Malays, this group lives on Home Island. Europeans form the other population, including members of the Clunies Ross family, employees of government departments, the Shell Company (Pacific Islands), Ltd., and Commonwealth Hostels, Ltd., together with their families.
- 4. At 30 June 1976, the population of the Territory was 548, of whom 448 lived on Home Island (mostly Cocos Malays) and 100 lived on West Island (mostly Australians). At the end of 1976, the Cocos Malay population on Home Island numbered 372.
- 5. In the early 1970s, a number of Cocos Malays living on Christmas Island (in the Indian Ocean) emigrated to Australia, settling in two centres in Western Australia, namely Katanning and Port Hedland. Until August 1975, however, there had been no such emigration of islanders from the Cocos (Keeling) Islands. Since that date, interest in direct migration to Australia has developed among the islanders and by 31 December 1976, 138 Cocos Malays had settled in the two communities mentioned above, as well as in Geraldton, also in Western Australia. In effect, the natural growth rate over the previous five years was more than offset by the emigration which occurred during 1975 and 1976.
- 6. There has been a significant change in the age structure of the Territory, in particular among the male population, owing mainly to changes in the birth-rate. In 1970, the population under 14 years of age comprised 35.6 per cent of the total; in 1975, this group constituted only 26.8 per cent of the total. In

a/ This paper is based on published reports and on information transmitted to the Secretary-General by the Government of Australia under Article 73 e of the Charter of the United Nations on 16 June 1977 for the year ending 31 December 1976.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XV, annex.

- the 12 months ending June 1976, the number of males in the group 15 to 49 years of age fell from 153 to 128, and the number of females from 165 to 146.
- 7. In August 1976, it was reported that an estimated 200 to 250 Cocos Malays (nearly half the population of the Territory), planned to move to Australia. Arrangements were being made to ensure that the remainder of those who wished to settle in Australia were properly helped to settle in the new environment.
- 8. Most of the islanders are Australian citizens: those born since 23 Nov mber 1955 are automatically citizens; the older islanders may become citizens by choice. Arrangements were made for the naturalization of those non-citizens in the group who wished to settle in Australia.
- 9. When the Australian Minister for Administrative Services visited the Territory in April 1976, more than half of the Cocos Malays had registered with R.J. Linford the Administrator, as being interested in resettlement away from the islands. The Minister received authorization to assist them by providing air fares to Australia.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

- 10. The basis of the Territory's administrative, legislative and judicial systems is the Cocos (Keeling) Islands Act, 1955-1975. c/
- 11. The Act empowers the Governor-General of Australia to make ordinances for the peace, order and good government of the Territory. Ordinances are required to be tabled in the Australian Parliament and are subject to disallowance in part or in whole by the Parliament. Generally, Australian legislation does not apply to the Territory unless specifically indicated. Currently, some 100 Australian acts apply, in whole or in part, to the Cocos (Keeling) Islands.
- 12. As previously reported, \underline{d} / Robert James Linforâ was appointed by the Governor-General to the office of the Administrator and assumed his duties on 30 June 1975.
- 13. An Interim Advisory Council, established in September 1975 e/ to hold consultations with the community and to advise the Administrator, was to be replaced by a fully elected Council as soon as the necessary arrangements could be

c/ Ibid., Twenty-ninth Session, Supplement No. 23 (A/9623/Rev.1), vol. IV, chap. XX, annex, appendix III.

d/ <u>Ibid.</u>, <u>Thirty-first Session</u>, <u>Supplement No. 23</u> (A/31/23/Rev.1), vol. III chap. XV, annex, para. 4.

e/ <u>Ibid.</u>, paras. 8 and 11-12.

- made. John Clunies Ross, the present owner of the islands, assumed control of the Clunies Ross Estate some 27 years ago. He has objected to the establishment of the Council and has requested that it be disbanded. The Council met three times in 1975 and not at all in 1976.
- 14. The courts with jurisdiction in the Territory f/ heard no cases in 1975/76. There is a customary court on Home Island consisting of members of the <u>Imarat</u> (Headmen's Council), including Mr. Clunies Ross and the manager of his estate who usually attend all meetings. This court deals with minor offences committed by Home Islanders.

B. Future status of the Territory

- 15. The Australian Government has indicated that it will give early attention to its future policy in relation to the Territory. Senator R. G. Withers, the Minister for Administrative Services, is the Minister responsible for the Territory. As indicated in paragraph 9 above, Senator Withers visited the Territory in April 1976 in the hope of finding an amicable solution in the dispute over the future of the Territory. He believed an agreement acceptable to the people and to Mr. Clunies Ross could be reached which would be simpler than the plans made by the previous Labour Government to purchase the islands from Mr. Clunies Ross.
- 16. On 24 December, the Governor-General of Australia received a petition, dated 20 December, signed by Mr. Clunies Ross and by, or on behalf of, approximately 180 Cocos Malays aged 14 years of age or over. The petition sought to have "negotiations commenced with the representatives of the community with a view to agreement upon proposals for the self-government of the Islands in free association with the Commonwealth", and, in due course, for "these proposals to be placed before the Island community for consideration and election in accordance with their rights under the Charter of the United Nations accepted by the Commonwealth". According to the administering Power, a number of Cocos Malays had sought advice from the Administration as to the meaning of the petition.

3. ECONOMIC CONDITIONS

A. General

- 17. The economy of the Territory is based almost solely on the production and export of copra grown by the Clunies Ross Estate. The aviation and other facilities maintained by the Australian Government and the few commercial organizations in the Territory provide only a small amount of revenue.
- 18. According to the annual report submitted by the administering Power for the

f/ Ibid., Twenty-ninth Session, Supplement No. 23 (A/9623/Rev.1), vol. IV, chap. XX, annex, paras. 43-44.

period under review, both the Government and Mr. Clunies Ross are aware of the desirability of diversifying the economy of the Territory in order to improve its long-term viability. Possible avenues for broadening the economic base of the Territory include limited tourism, commercial fishing and development of a handicrafts industry.

B. High security animal quarantine station

- 19. The establishment by Australia of a high security, off-shore animal quarantine station in the Territory remains under consideration. g/ Such a station could broaden the employment and training opportunities and make other direct benefits available to the islanders.
- 20. In a statement to the Australian Parliament on 17 November 1976, R.J. Hunt, the Minister for Health, stated that his Government had agreed on the need to proceed urgently with the construction of such a station. Subject to completion of satisfactory arrangements concerning the site, which was recommended by the Public Works Commission in 1973, the station would be established in the Cocos (Keeling) Islands.
- 21. The Australian Government, he said, was anxious to ensure that maximum opportunities existed for Cocos Malays to be employed in the construction of the station, and that it would be of direct economic benefit to them. The station would be used to import genetically superior animals which, for quarantine reasons, were prohibited from entry into Australia. The station would therefore be instrumental in the development and proliferation of herds better adapted to environmental conditions in Australia.
- 22. Under present quarantine arrangements, imports of live cattle, sheep and pigs into Australia are prohibited from all countries except New Zealand. Animals of most genetic value to Australia are not generally procurable from that country.
- 23. According to Mr. Hunt, it was the Australian Government's intention that negotiations with the Clunies Ross Estate on all issues concerning the availability of the site for the station should commence as soon as possible. Construction costs were estimated at A 6.36 million, A spread over three consecutive financial years.

C. Agriculture

24. Copra is produced on the Clunies Ross Estate by hot-air drying methods, and the crop is sold in Singapore, where it usually commands a premium price due to

g/ Ibid., paras. 55-68, 112-114, 149-163 and 185.

h/ One Australian dollar (\$A 1.00) was equivalent to \$US 0.90 in 1977.

its superior quality. At present, there are more than 350,000 palms on the estate. A programme of felling and replacing inferior palms and improving marginal areas has been carried out since 1963. Recent plantings of trees at a ratio of 198 palms to the hectare are less dense than in the larger established areas.

- 25. The rhinoceros beetle which has attacked the coconut palms on the main atoll is being controlled by the clearing and burning of undergrowth, dead trees and palm trees, and the collection and destruction of beetles, larvae and pupae. Several species of predatory beetle have been introduced without success. Plantation hygiene and isolation of plantations from neighbouring sources of infection have helped to control the pest.
- 26. Because of limitations imposed by soil quality and the supply of water, only small quantities of vegetables are grown on Home Island. Plots of pawpaws and bananas have been grown successfully on Home, Direction and West islands. Almost all of the Territory's fresh fruits and vegetables are imported, however, the only regular supply being obtained by means of the fortnightly air charter services.

D. Fishing

27. The Cocos Malays catch large numbers of fish in the lagoon and in the open sens for their own consumption. The Clunies Ross Estate sells small quantities of filleted fish to the West Island store on a contract basis.

E. Business enterprises

- 28. The Clunies Ross Estate operates a slip-way and shipwright's shop for the building and maintenance of small craft, as well as a powerhouse and a modern, fully equipped comprehensive workshop. Almost all households on Home Island have one or more small sailing boats for fishing and travel among the islands.
- 29. All construction and maintenance work on Home Island is undertaken independently by the Clunies Ross Estate.
- 30. The Asstralian Department of Administrative Services and the Administrator, with the Australian Department of Construction as agent, are responsible for all construction and maintenance activity on West Island, including the airfield. A substantial amount of work is undertaken by the Clunies Ross Estate on a contract basis using Home Island labour. Under arrangements initiated in 1975, the terms of such contracts provide that a proportion of the contract payment shall be paid into a Cocos Community Fund under the control of, and for use by, the islander community (see below).

F. Public finance ...

- 31. In 1975/76, total revenue amounted to \$A 65,063 (\$A 37,891 in 1974/75) and expenditure to \$A 1.1 million (\$A 715,730 in 1974/75). Expenditure on administration and capital works and services is financed from funds appropriated for the Australian government departments represented in the Territory.
- 32. A Cocos Community Fund was established in 1975 to be controlled by the Home Island community and used for its sole benefit. The Fund is at present administered by three trustees: two Home Islanders and the 'ministrator. One of the original Cocos Malay trustees resigned following his emigration to Australia in the first half of 1976.
- 33. An existing arrangement provides that a proportion of each contract payment for work done by the estate shall be paid directly into the Fund in Australian dollars. Such amounts are determined by agreement between the Cocos Community Fund trustees and the Clunies Ross Estate, in consultation with the Australian Government.
- 34. The Fund has an account with the Commonwealth Savings Bank in Perth, Western Australia and earns interest at the appropriate bank rate. At December 1976, the balance stood at \$A 27,030.21.
- 35. Although Australian currency is legal tender in the Territory, within the Home Island community, tokens (rupiahs) are used in transactions and for payment of wages. The tokens are not used by the islanders as a means of exchange in financial transactions outside the community. The estate converts tokens on demand to Australian currency. The estate at present values one rupiah at \$A 0.40. Limited "banking" facilities are provided for Home Islanders by the Clunies Ross Estate.

G. Transport and communications

36. The Administrator became the licencee of the airport on 15 December 1976. Since July 1976, the charter service for passengers and freight conducted by Trans-Australia Airlines (TAA) and Ansett Airlines of Australia has operated basically on a fortnightly schedule. The number of passenger arrivals and departures via air charter totalled 600 for the period under review. In addition, a shipping company provides to the Territory at intervals of about six months.

4. SOCIAL CONDITIONS

A. Labour

37. To date, Australia has not made any declaration to the International Labour Organisation (ILO) in respect of the Cocos (Keeling) Islands on the conventions which it has ratified. A major difficulty has been the inability to give a guarantee of practical compliance with the terms of the conventions which each member of the ILO must supply. The administering Power acknowledges that some

changes in community arrangements must take place before several conventions can be declared applicable.

B. Public health

38. In addition to the medical officer and two nursing sisters on West Island, there are two Cocos Malay medical orderlies on Home Island capable of dealing with routine and emergency situations. There are also two locally trained midwives and a trainee midwife on Home Island.

5. EDUCATIONAL CONDITIONS

39. Attendance at the school on Home Island is not compulsory, but a child must attend regularly once enrolled. At 30 June 1976, 67 children were attending the school. Sixteen children were enrolled at the school on West Island.

CHAPTER XIII

(A/32/23/Add.4)

NEW HEBRIDES

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CHAPTER XIII

NEW HEBRIDES

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, inter alia, to refer the question of the New Hebrides to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1084th meeting, on 7 July.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/43 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly requested the Special Committee, inter alia: "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:
 - (a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

ine Special Committee also took into account General Assembly resolution 31/51 of 1 December 1976, by paragraph 9 of which the Assembly requested the Committee, inter alia, "to continue to seek the best ways and means for the implementation of the Declaration with respect to the New Hebrides, including the possible dispatch of a visiting mission in consultation with the administering Powers...".

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the New Hebrides. Letters dated 3 June and 3 August 1977 from the Permanent Representatives of France and of the United Kingdom of Great Britain and Northern Ireland to the United Nations, addressed to the Secretary-General, also contained related information (see A/32/99 and A/32/172).
- 5. The representatives of France and of the United Kingdom, as the administering Powers concerned, participated in the work of the Special Committee during its consideration of the item.
- 6. At its 1084th meeting, on 7 July, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1084).

introduced the report of the Sub-Committee (A/AC.109/L.1177), containing an account of its consideration of the Territory.

- 7. At the same meeting, the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and endorsed the conclusions and recommendations contained therein (see para. 9 below).
- 8. On 8 July, the text of the conclusions and recommendations was transmitted to the Permanent Representatives of France and the United Kingdom for the attention of their respective Governments.

B. DECISION OF THE SPECIAL COMMITTEE

- 9. The text of the conclusions and recommendations adopted by the Special Committee at its 1084th meeting, on 7 July 1977, to which reference is made in paragraph 7 above, is reproduced below:
 - (1) The Special Committee reaffirms the inalienable right of the people of the New Hebrides to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.
 - (2) Fully aware of the problems peculiar to the New Hebrides, by virtue of its being a condominium, and of other special factors such as its size, geographical location, population and limited natural resources, the Special Committee reiterates its view that these circumstances should in no way delay the process of self-determination and the speedy implementation of the Declaration contained in resolution 1514 (XV), which fully applies to the Territory.
 - (3) The Special Committee commends the co-operation extended the Committee by the two administering Powers, and wishes to take particular note on this occasion of the presence of the representative of France for the first time during its consideration of the Territory. The co-operation of both administering Powers with the Special Committee is of assistance to the Committee in its discussions. The Special Committee welcomes the joint commitment of the administering Powers to independence for the Territory.
 - (4) The Special Committee notes with satisfaction that the administering Powers have taken significant steps to end the impasse which developed in the Territory during the period under review following the decision of the Vanua aku Pati not to participate in the Representative Assembly while it maintained its present composition. A conference of customary chiefs, the elected members of the Representative Assembly and others was held in the Territory from 15 to 16 March 1977 to seek a solution. The conference recommended that a ministerial meeting should be held in Europe in July 1977, to which would be invited, among others, representatives of the parties in the Representative Assembly. The meeting

would have the principal objective of defining future steps for bringing the New Hebrides to independence and of fixing the date for the next elections, on the basis of which a new Representative Assembly will be established, elected entirely by universal suffrage. The Committee expresses the hope that the July ministerial meeting will yield positive results and that with the agreement of all those in the Territory directly concerned the Territory will be set on an orderly path towards independence.

- (5) The Special Committee welcomes the way in which the representatives of the people of the Territory are being fully involved in consultations on the future of the Territory. In this connexion, it notes that, again on the recommendation of the conference held in March this year, the Representative Assembly has been dissolved and that a temporary council, including seven members nominated by political groups, has been established to assist the two resident commissioners in the administration of the affairs of the Territory until the next elections, to prepare for the July ministerial meeting and to organize the proposed elections. Furthermore, in this regard, the Committee considers it important to urge once again that all decisions must continue to be taken in full consultation with the people of the Territory and their representatives.
- (6) The Special Committee notes that the administering Powers are turning their attention to the implementation of the reforms necessary for the Territory's progress. It welcomes in particular the fact that United Kingdom and French experts, in consultation with a special consultative committee of the former Representative Assembly, are in the process of drawing up proposals for the unification of the territorial administration. The creation of a single administration, among its other obvious advantages, will foster a further strengthening of national identity within the Territory.
- (7) The Special Committee expresses the hope that economic and social development will keep abreast of political advancement in the Territory. It recalls that the economy is based mainly on subsistence gardening and on the production and export of copra, as well as coffee, cocoa, meat (both frozen and tinned) and fish. As a consequence, there is great dependence on budgetary aid from France and the United Kingdom. While welcoming such aid from the administering Powers, the Committee believes that continued and sustained assistance in copra production and marketing, as well as the development of other industries, including fisheries, could help to generate local revenues and set the New Hebrideans on the path to economic self-reliance. The Committee also associates itself fully with the hope that the benefits of associate membership in the European Economic Community (EEC) will have begun to be felt in the New Hebrides.
- (6) The Special Committee notes that the Joint Office of Development Planning is about to issue a preliminary report that will serve as the basis for reflection on the fundamental decisions which the people of the New Hebrides will themselves take concerning their future development. The

Committee again urges the administering Powers to safeguard the right of the people of the Territory to own and dispose of their land and natural resources and to maintain control over their future development.

- (9) The Special Committee recognizes that the raising of livestock, together with the export of chilled and frozen meat, has become a major economic activity in the Territory. It therefore expresses the hope that the potential offered by this industry will be fully exploited so as to enhance further the economic status of the people of the New Hebrides, particularly in the rural sector.
- (10) The Special Committee notes the continuel marked decline in export earnings from fishing and further notes that the bulk of the fish exported is in frozen form. The Committee therefore expresses the hope that facilities for the processing of fish in the territory can be established with a view to expanding employment opportunities and diversifying the economy. Given the importance of marine life in general to the economic well-being of the islanders, the Committee urges that attention be given to discouraging overfishing and any form of pollution or contamination of the surrounding seas which might adversely affect the marine resources of the Territory.
- (11) The Special Committee notes that the illiteracy rate is 15 per cent of the total population 10 years of age and over. While recognizing the active role being played by the two national services in improving education, the Committee remains concerned about educational conditions in the Territory. It again urges both administering Powers to make a combined effort to promote a unitary system of education which will meet the needs of the Territory. Such a unified system could help to promote a sense of rational identity among the people of the Territory and could enable them to prepare themselves adequately for their future political and economic responsibilities. Improved educational facilities could also contribute towards a significant degree of "localization" within the civil service.
- (12) The Special Committee notes the statement of the administering Powers that the former Representative Assembly failed to reach a decision on an invitation to the Special Committee to send a visiting mission to the Territory. The Committee calls on the administering Powers to consult with the new Representative Assembly, when it is constituted, with a view to seeking the best ways and means for the implementation of the provisions of the Declaration with respect to the Territory, in particular the dispatch of a visiting mission to the Territory, and to report on this aspect when the Committee next considers the question of the New Hebrides.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*} Previously issued under the symbol A/AC.109/L.1167

NEW HEBRIDES a/

1. GENERAL

- 1. Basic information on the New Hebrides is contained in the report of the Special Committee to the Genetal Assembly at its thirty-first session \underline{b} / Supplementary information is set out below.
- 2. At 31 December, according to the annual report of the Government of France for the period under review, the indigenous population of the New Hebrides was estimated at 94,000 and the non-indigenous population at 6,570:
- 3. On 2 August 1976, an earthquake near the New Hebrides was recorded by the International Tsunami Information Center at Honolulu, which stated that it was not sufficient to generate a tidal wave.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

1. Administration

4. As previously reported, the Territory of the New Hebrides is a condominium administered jointly by France and the United Kingdom of Great Britain and Northern Ireland and is governed according to the terms of the Anglo-French Protocol of 6 August 1914. The joint and equal heads of the Administration are the British and French resident commissioners, acting respectively on behalf of the British High Commissioner, who resides at Nouméa in New Caledonia. The Joint Administration consists of the British National Service, the French National Service and the Joint (or Condominium) Services. The components of each service are described in the previous report of the Special Committee. c/

B. Representative Assembly

5. Following ministerial talks held in 1974 and 1975 between the two administering Powers, a Representative Assembly was established to replace the former Advisory Council. The Assembly was to consist of four representatives

a/ This paper is based on published reports and on information transmitted to the Secretary-General by the Government of the United Kingdom of Great ritain and Northern Ireland under Article 73 e of the Charter of the United Nations on 17 August 1976 for the year ending 31 December 1975 and by the Government of France on 9 May 1977 for the year ending 31 December 1975.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. XVL, annex 1.

c/ <u>Ibid</u>, para. 3.

- of the chiefs (see part . below), 29 members elected by universal suffrage (some 40,000 voters) and 9 appointed members from among the economic interests of the Territory: 6 elected by the Chamber of Commerce (some 400 voters) and 3 elected by the co-operative societies (some 15,000 voters). The first elections for the Assembly took place in November 1975.
- 6. The Representative Assembly held two sessions in 1976: the first from 29 June to 1 July, mainly to debate and resolve the question of the number of chiefs in the Assembly, and the second from 29 November to 7 December, when it was reported that standing orders were discussed. The two resident commissioners serve as co-chairmen of the Assembly, daily alternating their task.
- 7. Following the opening ceremonies of the first session of the Representative Assembly, the debate on the representation of the chiefs began. As stated above, there were to have been four chiefs elected by the electoral colleges of chiefs of the four administrative districts of the Territory. The colleges are themselves elected by the customary chiefs of villages and clans (an indeterminate number between 700 and 1,000). According to a report from the New Hebrides National Party (now known as the Vanua aku Pati (see para. 13 (a) below), the electoral colleges of chiefs elected two chiefs in June, when the administering Powers decided to increase the number to eight to achieve wider representation. A third and a fourth chief were subsequently elected on 22 October and 26 November 1976 respectively. At the end of the first day, the Assembly decided that the original specification for four chiefs should remain.
- 8. On the second day, Michael Thevenin, representing the Mouvement d'action des Nouvelles-Hébrides (MANH), (see para. 13 (c) below), who had been absent the first day, stated that in his view the Assembly, as then constituted, was not competent to render decisions while it included members whose election was still in dispute. He was referring to his own seat, and to three seats held by members of the New Hebrides National Party, which were still under study by the Court of Appeal. He stated that, because his seat was disputed, he would refuse to vote.
- 9. On the third and last day of the first session, the New Hebrides National Party and the Union des communautés des Nouvelles-Hébrides (UNCH) (see para. 13 (b) below) introduced a joint motion recommending the setting up, in consultation with the four elected chiefs to the Representative Assembly, of a separate independent Council of Chiefs consisting of 20 chiefs, five from each district, elected according to the original procedures established under the Joint Regulations. The Council would advise the Assembly on customary matters and criteria for choosing chiefs. Apart from two abstentions, the motion was carried unanimously.
- 10. The Joint Court, acting as a Court of Appeal to the Electoral Disputes Committee, invalidated the elections of two members of the New Hebrides National Party and of Mr. Thevenin on 23 July 1976 and of two other seats,

both members of the New Hebrides National Party, on 29 July. By-elections to fill the five invalidated seats were held between 25 and 28 October (see paras. 14-16 below).

- Assembly, held from 24 to 28 February, it was reported that a motion, introduced by the Vanua aku Pati, to abolish the six seats of the Chamber of Commerce in the Assembly had been defeated by 20 votes to 20, with 2 abstentions. The motion would also have established a ministerial system with executive power and formulated a future government structure for the Territory. It wassaid that the members of the Vanua aku Pati, who then held 2I of the 42 seats in the Assembly, objected to having economic interests represented, calling it an undemocratic composition of the Assembly.
- 12. After the meeting, the members of the Vanua aku Pati absented thhemselves from the remainder of the 1977 session. The President of the Assembly stated at the closing meeting that several unsuccessful attempts had been made to continue the session; however, there had been no choice but to declare the session closed. The resident commissioners, who were reported to have recognized the impossibility of convening a full meeting of the Assembly, reported the situation to the governments of France and the United Kingdom of Great Britain and Northern Ireland (see paras. 23-25 below).

C. Political parties

- 13. In addition to information concerning political parties in the Territory, given in previous reports of the Special Committee, \underline{d} / the following has appeared in published reports:
- (a) The New Hebrides National Party was formed in June 1971 as the New Hebrides Cultural Association and became a political party in October 1971. Its aims included a united New Hebrides and the achievement of independence in 1977. Walter Lini is President of the party, Pastor Maraki (fred) Timakata is Vice-President and Barak Sope is Secretary-General. In January 1977, the fifth Congress of the party decided to rename the party the Vanua aku Pati and urged all henceforth to call the Territory Vanua aku (our land in Bislama). It considers the name New Hebrides a colonial relic.
- (b) Union des communautés des Nouvelles-Hébrides (UCNH) was formed in 1974. It aims for eventual independence when the Territory is "ready". Jean-Marie le Heye is President of the party, Vincent Boulekone is Vice-President and Father Gérard Leymang is Secretary.

d/ For the most recent, see Official Records of the General Assembly,
Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XVI,
annex I, para. 9.

- (c) Mouvement d'autonomie des Nouvelles-Hébrides (MANH) was formed in 1972 as the Mouvement autonomiste des Nouvelles-Hébrides (MANH) and later changed its name to Mouvement d'action des Nouvelles-Hébrides (MANH). Based at Luganville, MANH is considered the party of the French planters. Aimé Malère is President of the party and Michel Thevenin is its Secretary.
- (d) Na-griamel was formed in 1965 to reclaim land from the European institutions in the Territory. In 1969, Na-Griamel advocated independence, but changed its platform in 1971. Its aim is to establish a federation of self-governing communities in an independent Espiritu Santo, excluding Luganville. e/Jimmy Stevens is President of Na-Griamel.
- (e) Natui-Tanno (Children of the Land) was formed in 1973. Its aim is to unite the people od Espiritu Santo. It supports the Vanua aku Pati, and is reported to be more of a movement than a political party. Moli Tamata is President of the party.
- (f) Tabwemasana was formed in 1973 and was originally associated with MANH and Na-Griamel. Its aims are unclear. Luis Vatu is President of the party and Michel Bernast is an advisor.
- (g) MANH-Tabwemasana and Na-griamel joined forces to contest certain seats in the municipal elections held in November 1975. It has also held joint conferences with UNCH. These parties, together with Jon Frum, Kabriel and the Friend Melanesia party, announced that they had formed a "federation of moderate parties" called the Tan Union (Union of Landa).

D. Elections

- 14. By-elections for the five invalidated seats in the Representative Assembly (see para.10 above), two in Santo (Luganville) f/ and three in rural constituencies, were held from 25 to 28 October 1976. The Santo by-election became the focus of a struggle between those advocating independence in 1977 (the New Hebrides National Party) and those advocating a more conservative approach to the future (Na-griamel).
- 15. In the Santo by-election George Cronstedt, the MANH/Na-griamel candidate, wrested the seat from the candidate of the New Hebrides National Party by 770 votes to 706 for the so-called "French" seat; while Mary Gilu of the New Hebrides National Party regained her "British" seat with an increased majority over the candidate of MANH/Na-griamel by 690 votes to 578.
- 16. In the rural constituencies, Jimmy Stevens, the leader of Na-griamel, who had chosen not to stand in 1975, was considered the mojar addition to the list of candidates and was elected with 977 votes; the two remaining seats for

e/ <u>Ibid.</u>, paras. 15-17.

f/ Luganville, on the island of Espiritu Santo, is known locally as Santo.

- the rural constituency went to Thomas Reuben (1,126 votes) and Titus Path (887) votes of the New Hebrides National Party. Chief James Buluk, also of Na-grismel. was unsuccessful, having obtained only 869 votes.
- 17. One press account from the area states that what had clearly emerged from the by-elections was that the opposition to the New Hebrides National Party was by no means united.

E. Future status of the Territory

- 18. On 4 June 1976, H.S.H. Stanley, the British High Commissioner, held a press conference at Nouméa, New Caledonia. Mr. Stanley was quoted as saying that the United Kingdom was firmly resolved to respect New Rebridean demands for independence and expressed the hope that France felt the same way, as the two nations should exercise their joint responsibility to the end, acting together to bring about independence. Mr. Stanley considered that the year 1977 (proposed by the then New Hebrides National Party) was too early for independence.
- 19. He insisted, however, that the New Hebrides should become independent as a whole and that the United Kingdom would not accept a situation in which part of the Territory remained under the jurisdiction of one of the metropolitan Powers.
- 20. On 5 June, Robert Gauger, the French Resident Commissioner, addressing an audience on the island of Paama, which lies between the Abryn and Epi islands, remarked that the Territory should be neither French nor British, and that "the two countries will lead it together to independence to enable it to face the problems of life".
- 21. At the first meeting of the Representative Assembly, on 29 June 1976 (see para. 6 above), the resident commissioners read a joint statement in which they declared that the very high poll in the November 1975 elections to the Assembly had indicated that the people of the New Hebrides were ready to make their voices heard in the affairs of the Territory and in determining their own future development; that the Governments of France and the United Kingdom recognized and respected those aspirations and would work together for the orderly and democratic evolution of the New Hebrides in accordance with the basic principle of self-determination; that the Auglo-French Protocol of 1914 was not a satisfactory basis for a relationship between the people of the Territory and the administering Powers in 1976; that the experience drawn from the new legislature would lead them, if that was the desire, to look into the transfer to the Representative Assembly of a greater measure of legislative responsibility and to consider the creation of an executive body to supervise the Joint (Condominium) services; and that institutions based on French or British models would not be composed, but that they would draw on what was best, irrespective of origin.
- 22. Further ministerial talks were held on 6 and 7 October 1976 between the two administering Powers. In a statement issued at the conclusion of the talks, the two Governments noted with approval the resolution of the Representative Assembly recommending the setting up of a Council of Chiefs. The two Governments stated that the next step would be for the Assembly to elect its own President in 1977

and to set up committees which could take an increasing interest in the functioning of the Joint Adminstration, thus paving the way towards establishing an indigenous executive body, and leading progressively to internal self-government.

- 23. Following the closure of the first 1977 session of the Representative Assembly (see paras. 11-12 above), the two administering Powers invited all political parties to a preparatory conference at Vila in March, at which the two high commissioners consult with political leaders on the situation in the Territory, and in particular, on proposals concerning a new electoral system. Thereafter, the high commissioners were to make recommendations to their respective Governments in order to find an early solution to the political impasse.
- 24. At the conference, which was held from 15 to 18 and 25 to 26 March, it was agreed to dissolve the present Representative Assembly and to hold the next general elections at an early date, following completion of electoral registers and the issuance of identity cards. On 18 March, the two high commissioners, Mr. Stanley of the United Kingdom and J. G. Eriau of France, announced that a conference would be held in Europe in July to which all parties could send representatives. The conference would deal with ail problems which the Governments and the elected members of the Respresentative Assembly might wish to discuss; that is, the date of the general elections, the future administrative structure, the time-table for the different stages in independence and the date independence.
- 25. The two high commissioners also announced that until new elections were held, a seven-man provisional council would be established and given advisory but not executive powers. Mr. Eriau stated that elections by universal suffrage were the only solution if an undisputed representation of the population of the New Hebrides was to be obtained.
- 26. Subsequently, at the request of the administrations at Vila, all parties submitted their respective nominees to the Council: four from the Vanua aku Pati, two from the Tan Union and one from the Federation of Independents. All were members of the Assembly.

F. Public service

- 27. According to the annual report of the Government of France for 1975, there were 997 officers in the French National Service (992 in 1974); 755 in the British National Service (unchanged since 1974); and 1,033 in the Joint (Condominium) Services (1,069 in 1974).
- 28. In its annual report for the year under review, the Government of the United Kingdom stated that the British National Service continued to attach great importance to the progressive localization of the service, and that the quality and scope of local pre-service and in-service training had been further improved during 1975. As a result of the appointment of two advisers under technical assistance arrangements, full training was possible in the secretarial, clerical, executive and supervisory fields, which permitted the localization of

several administrative, technical and stenographic posts. With better local facilities in the medical and police training schools, overseas training at the lower levels was no longer necessary.

29. In 1975, the British National Service comprised 117 overseas officers, 485 New Hebrideans and 16 other Pacific islanders. There were also 64 persons employed by the educational boards of management (see para. 76 below).

3. ECONOMIC CONDITIONS

A. General

- 30. The economy of the New Hebrides is based mainly on subsistence gardening and the production of copra, mainly for export. Other exports include coffee, cocos, meat (both frozen and tinned) and frozen fish. The economy as a whole is overwhelmingly dependent on British and French aid. The improvement of copra production and marketing and the development of other industries, are among the measures being taken in an effort to lessen this dependence.
- 31. Another measure intended to help the economy is the associate membership of the Territory in the European Economic Community (EEC), whose benefits were expected to be felt in 1975/76. The export earnings stabilization scheme, in particular, could make a significant difference to an economy so extensively reliant on a single crop.
- 32. The Territory was particularly hard hit by the world economic crisis in 1975. Repercussions were evident not only in imports, but also in exports. This situation, reinforced by a decline in the copra market, only helped to accentuate the falling territorial trade balance, as shown in the following table:

(In millions of New Hebrides francs g/)

Year	Exports	Imports	Balance	
1973	1,498	2,489	- 991	
1974	2,371	3,960	-1,489	
1975	797	2,496	-1,698	

33. It was reported that the Representative Assembly had appointed an Economic Revival Committee, which met twice in 1976. Members of the Chamber of Commerce, UCNH and the Vanua aku Pati were each to draw up and submit outlines for proposed projects.

g/ The pound sterling and the French franc are legal tender in the Territory. The currency in use, however, is the New Hebrides franc (FNH): FNH 100 was equivalent to \$US 0.90 in 1977.

B. Land

34. In August 1976, it was reported that about 9,300 hectares held by overseas trustees were to be transferred to local ownership. The transfer of ownership was, in effect, from within the Presbyterian Church, that is, from property trustees of the Presbyterian Church in Australia and New Zealand to the Presbyterian Church of the New Hebrides Trust Association. The land is on a number of islands, ranging from 2,198 hectares in area on Erromango to smaller lots at Undine Bay and Erakor. The land was originally acquired to chuches, houses for pastors, clinics and schools and to be held in trust for the inhabitants of the Territory. Subject to approval by the Church Assembly, the Presbyterian Church of the New Hebrides Trust Association will have the power to return land, or interest in land, to New Hebrideans, individually or in groups who are interested.

C. Agriculture and Livestock

- 35. Over 50,000 hectares in the Territory are planted with coconuts. In 1975, copra exports totalled 27,048 metric tons (valued at FNH 337.6 million), compared with 35,667 metric tons in 1974 (valued at FNH 1.5 billion). From FNH 20,000 per metric ton c.i.f. Marseilles in December 1974, the price fell to FNH 15,000 in March 1975 and to FNH 8,000 in July. In August it rebounded slightly to FNH 10,000 and fluctuated until the end of the year between FNH 8,000 and FNH 10,000. During the same period, there was a corresponding slump in production.
- 36. Owing to the low market prices for cocoa, as well as the shortage and high cost of labour, most expatriate farmers have abandoned that crop in favour of cattle raising. At the same time, New Hebrideans have shown an increasing interest in cocoa and some new plantings have been made in Central District No. 2 and the Northern District. Although cocoa exports increased slightly, from 509 metric tons in 1974 to 564 metric tons in 1975, their value fell from FNH 49.4 million to FNH 40.8 million.
- 37. Coffee exports continued to rise from 26 metric tons in 1974, valued at FNH 2.5 million, to 36 metric tons in 1975, valued at FNH 2.5 million. The entire production comes from Santo. Despite all efforts to interest Melanesian planters on Tanna to grow Arabusta coffee, there is only one small crop on that island, which is sold to tourists or local markets.
- 38. No census of livestock has been made since 1971, when cattle population totalled 83,555 head, of which 73,067 head were owned by expatriates and 10,488 head were owned by New Hebrideans. In 1974, the Territory had an estimated 110,000 head of cattle. A census of all livestock was to be taken in 1976.

39. Exports of beef and other animal products in 1974 and 1975 were as follows:

	Volume (metric tons)		<u>Value</u> (New Hebrides francs)	
	1974	<u>1975</u>	<u>1974</u>	<u>1975</u>
Chilled and frozen meat	415	495 [°]	35,169,100	36,800,000
Meat (canned)	90	111	21,259,300	25,488,000
Live cattle (head)	90	74	42,500	25,980

40. With funds provided by the Joint Administration, the Agricultural and Industrial Loans Board makes loans available on favourable interest terms for agricultural, industrial and commercial development. The board was created in 1965 and, up to the end of 1975, 676 loans had been granted, totalling FNH 59.2 million. At the end of 1975, a total of FNH 12.2 million was owed to the Board.

D. Fisheries

- 41. In 1975, 5,218 metric tons of frozen fish were exported with an f.o.b. value of FNH 258.0 million (32.4 per cent of the total value of exports), compared with 9,824 metric tons in 1974, valued at FNH 636.7 million (26.8 per cent of the total value of exports). Frozen fish is exported mainly to the United States of America and Japan.
- 42. There is one large fishery, established in 1957 at Paluka, Espiritu Santo as a joint venture of a New Hebrides company and two Japanese companies.
- 43. In 1974/75, the South Pacific Commission held a training course in the Territory on outer-reef fishing techniques, in which 10 fishermen participated. Commercial cyster production is being developed in the north of the Territory.

E. Forestry

- 44. During 1975, 77 metric tons of sawn timber were exported at a value of FNH 1.6 million (393 metric tons valued at FNH 6.1 million in 1974). Timber is no longer a major export item, since the Société agathis on Erromango halted production in 1973. In 1974, the Erromango sawmill was moved to Efate Island under different management, and began producing sawn timber from a variety of species at the rate of 120 cubic metres per month. This production was maintained in 1975. Other small sawmills continued to operate on Aneityum and Santo.
- 45. Towards the end of 1975, the British and French resident commissioners stated that the policy of their Governments concerning forestry was to conserve the soil, water, natural vegetation and wild life resources of the Territory and to achieve self-sufficiency as far as possible in timber and timber products.

46. The policy would be implemented progressively by enacting appropriate legislation, providing adequate and trained staff, carrying out appropriate inventories of the Territory's forest resources, creating a sufficient forest estate and establishing a forest fund, which would derive its income from a percentage of import and export duties on forest products, as well as from other sources, in order to finance forest regeneration. This policy awaits ratification by the Representative Assembly.

F. Mining

47. In 1975, expenditure by the Condominium Mines Department totalied \$A 62,911 (\$A 44,160 in 1974). During the same year, 46,520 metric tons of manganese were exported at a value of FNH 41.0 million (47,311 metric tons valued at FNH 54.5 million in 1974). In 1975, the budget of the Geological Survey Department was \$A 64,821 (\$A 57,297 in 1974).

G. Industry

48. There are three meat-canning enterprises, one soft-drink factory, a fishing company which freezes fish for export, a ready-mix concrete plant, a cement, brick and pipe factory and a factory producing aluminum window-frames.

H. Tourism

- 49. During the year under review, two new hotels were constructed at Vila, one of 166 rooms meeting international standards and a second of the motel type with 16 rooms, as well as three at Santo with a total of 48 rooms. In 1975, there were 378 hotel rooms at Vila and 90 at Santo.
- 50. During the period under review, a short course was held under the sponsorship of the International Labour Organisation (ILO) to train hotel staff in housekeeping, restaurant, kitchen and bar organization and the functions of travel agents and tour guides. According to the annual report of the United. Kingdom, the number of restaurants at Vila has substantially increased.
- 51. According to press reports, however, there was an 8 per cent decline in tourist arrivals in the New Hebrides in 1975. The territorial Bureau of Statistics stated that there were 15,838 arrivals, compared with the record 17,247 in 1974. The decrease was attributed to two factors: (a) the worldwide recession, which had created uncertainty and currency fluctuations; and (b) the lack of available seats on aircraft arriving at Vila.
- 52. In December 1976, it was reported that the New Hebrides Christian Council was building a youth hostel at Vila, at an estimated cost of \$A 160,000, on five hectares of land which the Condominium Government had leased to the Council at a nominal rent. The hostel, which is destined to be a gathering place for young people, will have 60 beds with double and single rooms, a kitchen, a dining/social room, accommodation for a manager and ancillary rooms, as well as a sports field.

I. Public finance

53. As previously reported, the Territory has three budgets. Revenue and expenditure for 1975 were as follows:

	Revenue (Australia	Expenditure n dollars)
Joint (Condominium) Services	8,451,016	10,799,836
British National Service	5,815,257	5,579,081
French National Service	3,443,950	3,790,960

- 54. The French budgetary system is based on a French decree of 30 December 1912 regulating the colonial financial rule and a decree of 4 July 1907 instituting a special budget for operations concerning the administration of French interests in the N₄ Hebrides. All operations are centralized in Vila. In 1975, 33 per cent of the budget of the French National Service was financed by local revenue and 67 per cent by a subvention granted by the administering Power (38 and 52 per cent, respectively, in 1974).
- 55. Financing for public services operated by the Joint (Condominium)
 Services was obtained mainly from indirect taxation, in particular import and
 export duties. Education and medical services continued to be operated on a
 national basis with some assistance from local religious missions. The Joint
 (Condominium) Services also contributes to the national service budgets in
 respect of those services. The national budgets receive most of their financing
 for recurrent expenditure and development from the two metropolitan Governments.
- 56. There is no income tax or corporation tax in the New Hebrides.
- 57. In 1975, United Kingdom financial aid totalled £3.1 million (£2.3 million in 1974). In addition, technical assistance was provided at a cost of £685,000 (£559,000 in 1974). No disbursements were made by EEC to the New Hebrides in 1974 or 1975, but, during the fave years in which the ACP /African, Caribbeau and Pacific Group/-EEC Convention of Lomé of 28 February 1975 (A/AC.176/7) will be in effect, it is expected that £802,000 will be made available to the Territory from the European Development Fund allocation for British dependent Territories. The proportion of the European Development Fund allocation to French dependent Territories destined for the New Hebrides was not available.

J. Transport and communications

58. In the urban areas of Vila and Canto, there are some 20 kilometers of paved roads. All other roads are surjaced with coral rock agglomerate. On 31 December 1974, 4,389 vehicles were registered in the New Hebrides, of which 3,191 were centred at Vila and 63 per cent were private cars. With a growth rate of 20 per cent per annum, the number of vehicles has doubled in four years.

- 59. The Territory is served by two international air lines. In 1975, 20,840 passengers disembarked and 20,890 passengers embarked by air. Two companies, operating under s consortium arrangement, provided scheduled internal air services in 1975, carrying 43,350 passengers. A total of 43 cruise ships visited the New Hebrides, including the first such ship to call at Santo in many years.
- 60. Capital development in 1976 was to consist mainly of projects carried over from the 1971-1975 development plan, subject to the ratification of the budget by the Representative Assembly. Progress was expected to accelerate by the arrival towards the end of 1976 of a landing barge and a new construction unit for roads, airfields and land development donated, respectively, by the governments of New Zealand and Australia under their aid programmes.
- 61. During the year under review, the Economic Revival Committee endorsed several projects of the Chamber of Commerce, including the extension of Bauerfield Airport at Vila and the tar-sealing of the Pekoa airfield at Santo, as well as construction of a north-south highway on Efate. The Chamber of Commerce has reportedly stated that those projects would create urban employment, bring in additional tourists and thereby increase income to the Territory. The Vanua aku Pati, however, has argued against the expenditure of public funds on such items, emphasizing the need for increasing rural employment and urging the establishment of a copra price stabilization fund as proposed by a member of the New Hebrides Co-operative Federation.

4. SOCIAL CONDITIONS

A. Co-operative societies

- 62. The most important function of the co-operative societies in the New Hebrides has been to enable the people in the rural areas to sell their produce for cash and to purchase consumer foods on the spot. This simple procedure demonstrated the need for an indigenous import and export agancy and resulted in the formation of the New Hebrides Co-operative Federation, linking the co-operative societies throughout the Territory. The Federation buys both imported and local goods to supply member societies with soncomer requirements, and organizes the collection and marketing of produce purchased from the societies. The Federation's wholesale volume to member societies increased from \$A 250,000 in 1973 to \$A 1.9 million in 1974.
- 63. In 1975, there were 67 co-operative societies under the supervision of the French National Service (59 in 1974), with an increase in membership to about 3,175 (2,922 in 1974). The total turnover in 1975 was \$A 850,000 (\$A 926,199 in 1974). The fall of the world copra market in 1975 was blamed for the lessening of business activity. In 1974, total membership of the co-operatives under British supervision numbered 10,138 (heads of families only) in 167 societies. The 1975 statistics are not yet available.

B. Labour

- 64. In 1975, salaried employees numbered 10,676, of whom 7,986 were New Hebrideans. The Joint (Condominium) Services employed 1,033; the British National Service, 755; the French National Service, 997; and the private sector, 7.891.
- 65. According to the annual report of the United Kingdom, the movement of New Hebridean workers to New Caledonia for employment in occupations and industries ancillary to the nickel industry, which has been a significant feature of the manpower situation in the past, was virtually at a standstill in 1975. It was estimated that no more than 800 New Hebrideans were working in New Caledonia at any one time.
- 66. The Labour Advisory Committee, constituted in 1974, was unable to meet in 1975, owing to the expiration of its appointment in July 1975. Contacts were made with labour and employer organizations with a view to renewing it, and proposals were to have been presented to the resident commissioners in November 1975.
- 67. During the year under review, the inspection service of the territorial Department of Labour within the French National Service intervened in 151 cases of labour disputes involving more than FNH 2 million. The British National Service reported that its Chief Labour Officer had settled 323 disputes involving \$A 31,020.
- 68. A vocational training project financed by the United Nations Development Programme (UNDP) and under the guidance of a training adviser of the ILO was carried out throughout 1975, but the state of the economy and the uncertainty with which the majority of employers viewed the future militated against the early adoption of the recommendations of the ILO adviser. Another short-term UNDP vocational training project, staffed by ILO hotel industry training experts and designed to improve the skills of workers already employed in the industry, was to commence in January 1976.

C. Public health

- 69. According to the annual report of the Government of the United Kingdom, the staff of the British Medical Department in 1975 consisted of 16 registered physicians with degrees recognized both locally and in the United Kingdom; 5 licensed physicians with degrees recognized locally but not in the United Kingdom; 13 medical assistants; 4 locally certified midwives; 6 sanitary inspectors; 1 lavoratory and X-ray technician; and 1 pharmacist. In addition, there were 55 nurses with senior training and 275 locally certified nurses employed by the Department or by the missions; 1 registered and 1 licensed physician employed by the missions; and 2 laboratory and X-ray technicians in private practice.
- 70. The annual report of the Government of France for the same period states that the medical personnel employed by the French Medical Department or in private practice was as follows: 17 expatriate and 5 indigenous physicians; 6

expatriate and 2 indigenous medical assistants; 1 expatriate and 2 indigenous pharmacists; 1 expatriate and 2 indigenous dentists; 1 expatriate midwife; 27 expatriate and 72 indigenous male nurses; 99 indigenous female nurses; 1 expatriate and 11 indigenous laboratory and X-ray technicians; and 1 expatriate and 2 indigenous sanitary inspectors.

- 71. In 1975, the opening by the British Medical Department of the general hospital (the Vila Base Hospital), which maintains 100 beds, brought hospital capacity at Vila to more than 250 beds. There are 3 hospitals in the Territory with a total bed capacity of 393; 9 cottage hospitals or infirmaries equipped to handle lighter cases; 78 dispensaries for treatment of out-patients; and 16 dispensaries with a total of 196 beds for lighter cases to be referred to the general hospital.
- 72. The British and French schools of nursing at Viia train some 16 nurses each year.
- 73. In 1975, recurrent expenditure for medical and health services was as follows: French National Service, FNH 136.0 million; British National Service, FNH 85.6 million; and Joint (Condominium) Services, FNH 39.1 million.

5. EDUCATIONAL CONDITIONS

- 74. In 1975, there were an estimated 27,000 school—age children in the Territory (25,000 indigenous and 2,000 non-indigenous), compared with 24,900 in 1974. There are two separate and parallel systems of education in the New Hebrides: British and French. Education is neither free nor compulsory. Fees are charged at all levels, except for overseas scholarships. In boarding institutions, the fees cover only 80 per cent of the boarding costs and do not provide for tuition, while the fees for day schools are nominal and are considered to be a necessary local contribution in a country without direct taxation.
- 75. The British Educational Department is headed by the Chief Education Officer, who is reponsible to the British Resident Commissioner for the following: administration of the British national schools; the payment of grants to voluntary agencies, district education committees and boards of management for the syllabus and curriculum of the schools; control of the terms of services for aided teachers; the schools building programme; certain aspects of adult and community education; and the general implementation of educational policies.
- 76. More than 80 per cent of the British primary schools previously operated by voluntary agencies are now managed and administered by district education committees, which have general advisory and planning responsibilities for all primary schools in their respective areas. In addition, five schools (three secondary and two primary) are managed by boards of management. It is intended that all aided schools within the British system will eventually come under the control of either a district education committee or a board of management.

- 77. Primary education supported by the British National Service was provided in 104 public schools and 57 independent schools (95 and 76, respectively, in 1974). A total of 8,092 students were enrolled in British primary schools, 455 in three public and two independent secondary schools and 56 at the Kawenu Teachers' Training College at Vila. In addition, 79 students were attending overseas vocational training schools and 35 students were attending institut s of higher education. There were approximately 300 non-indigenous pupils in the British schools.
- 78. At 1 March 1976, primary education supported by the French National Service was provided in 58 public schools and 37 private schools. In March 1976, 10,171 students were enrolled in French primary schools (8,949 New Hebrideans); 627 students in French secondary schools (276 New Hebrideans); 171 students in vocational schools (120 New Hebrideans); 75 students in teacher-training schools (72 New Hebrideans); and 42 students were studying overseas.
- 79. In 1975, total expenditure on education by the British National Service amounted to \$A 1.7 million (\$A 1.4 million in 1974) and British Development aid and other sources provided \$A 1.6 million (\$A 1.1 million in 1074). Expenditure by the local authorities, including district education committees and boards of management, amounted to \$A 148,100; expenditure by missionary and voluntary bodies was estimated at \$A 133,000; and aid from other sources overseas was estimated at \$A 105,000. In 1975/76, total expenditure on education by the French National Service amounted to FNH 40.2 million.

CHAPTER XIV

(A/32/23/Add.4)

TOKELAU

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CHAPTER XIV

TOKELAU

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, inter alia, to refer the question of Tokelau to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1079th meeting, on 14 June.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly, inter alia, requested the Special Committee

"To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:

(a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly resolution 31/48 of 1 December 1976, by paragraph 10 of which the Assembly, inter alia, requested the Committee:

"To continue to examine this question at its next session in the light of the findings of the Visiting Mission, including the possible dispatch of a second visiting mission to Tokelau, as appropriate and in consultation with the administering Power ...".

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the Territory.
- 5. The representative of New Zealand, as the administering Power concerned, participated in the work of the Committee during its consideration of the item.

- 6. At the 1079th meeting, on 14 June, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/FV.1079), introduced the report of the Sub-Committee (A/AC.109/L.1156) containing an account of its consideration of the Territory.
- 7. At the same meeting, the representative of New Zealand made a statement (A/AC.109/PV.1079).
- 8. At the same meeting, the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and endorsed the conclusions and recommendations contained therein (see para. 10 below).
- 9. On 15 June, the text of the conclusions and recommendations was transmitted to the Permanent Representative of New Zealand to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

- 10. The text of the conclusions and recommendations adopted by the Special Committee at its 1079th meeting, on 14 June 1977, to which reference is made in paragraph 8 above is reproduced below:
 - (1) The Special Committee reaffirms the inalienable right of the people of Tokelau to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of December 1960.
 - (2) Fully aware of the special circumstances of Tokelau, owing to such factors as its size, geographical location, population and limited natural resources, the Special committee reitereates the view that these circumstances should in no way delay the implementation of the Declaration contained in resolution 1514 (XV), which fully applies to the Territory.
 - (3) The Special Committee commends the administering Power for its continued co-operation, including its invitation to the Committee to send a visiting mission to the Territory in 1976. 1/ By means of this Visiting Mission and the detailed statements of the administering Power, the Committee has gained a clear insight into the hopes and aspirations, as well as the fears and concerns, of the people of the Territory regarding their future and their present wish to maintain close ties with New Zealand. In this connexion, the Committee notes with satisfaction that the report of the Visiting Mission and the proceedings of the General Assembly at its thirty-first session concerning Tokelau have been translated into Tokelauan and have been the subject of discussion and debate among the people of Tokelau.

^{1/} For the report of the Visiting Mission, see Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/32/23/Rev.1), vol. III, chap. XVII, annex.

- (4) The Special Committee notes the declared policy of the New Zealand Government to disturb as little as possible the internal institutions making up the Tokelauan way of life, as well as the complementary measures which it has taken to strengthen those institutions. The Committee takes note of the statement contained in the annual report of the administering Power that, as a result of this policy, the islands already exercise a great degree of practical self-government. Moreover, the Committee is pleased that the administering Power has taken effective steps to inform the inhabitants of the options, consistent with the Declaration, open to them and thus to ensure that they are fully able to determine their political future.
- (5) The Special Committee also notes the steps taken since the visit of the mission to strengthen and expand the Tokelau public service to provide a more efficient administrative organ to implement the decisions of the Tokelau people. The Committee notes that nine new positions, five of which are at the senior level, were created in the Office for Tokelau Affairs at Apia (Western Samoa) and that the number of permanent employees in the public service on Tokelau has been increased by 54. Moreover, a Tokelauan administrative officer has been appointed to each village and will act as a two-way channel of communication between the village authorities and the Office for Tokelau Affairs at Apia.
- (6) The Special Committee notes also that a comprehensive review of salaries and conditions of service has led to new salary scales being applied as from 1 April 1977. In this regard, the Committee welcomes the fact that qualified Tokelauans have been encouraged to return to the Territory from New Zealand and thereby to apply their skills to the welfare of the Tokelauan community.
- (7) The Special Committee draws attention to the opposition expressed by the people of Tokelau to nuclear testing in the Pacific Ocean and calls on the Government of the country concerned to heed the sentiments of the people of Tokelau and the provisions of the relevant resolutions of the General Assembly and thereby to cease all such testing.
- (8) The Special Committee notes the various measures taken in the economic field to assist the development of the Territory, such as the establishment of co-operative retail outlets on each island, the eradication of plant pests and the steps taken to encourage plant food crops other than coconut and to improve pig and poultry stock. It also notes that capital works include the improvement of water-collection facilities and reef blasting to obtain easier transit to and from the sea. In this regard the Committee suggests that consideration be given to the preparation of an over-all development plan for the Territory, in consultation with the people at all stages of its preparation, in order to establish priorities and specific projects. Such a plan could assist in attracting aid from the international community and give Tokelauans, including those residing in New Zealand, a goal towards which to work.

- (9) The Special Committee notes that some steps are being considered as a means of generating revenue to narrow the deficit between the amount which is contributed locally to the annual budget and the substantial financial assistance provided by the administering Power. It urges the administering Power, in consultation with the people of Tokelau, to continue to explore various avenues for diversifying the sources of revenue of the Territory.
- (10) In this connection, the Special Committee expresses the hope that, in the near future, a careful study can be made of the feasibility of establishing a commercial fishing industry, which appears to offer the most promising avenue of economic development open to the people. The Committee notes that, at its meeting in November 1976, the South Pacific Forum decided to harmonize fisheries policies and to co-operate in the surveillance of the activities of foreign fishing vessels in the region. The Committee also notes the statement of the administering Power that, as a member of the Forum, it fully recognizes its responsibility to protect Tokelau's interest in this regard.
- (11) The Special Committee expresses its appreciation to the specialized agencies and other organizations within the United Nations system, as well as to the regional organizations, for the assistance which they have rendered to Tokelau. Such programmes of assistance are vital to the progress of the peoples of the small Territories and represent a significant contribution to their development towards economic and political self-determination. The Special Committee draws the attention of the specialized agencies to the provision of General Assembly resolution 31/48 of 1 December 1976 requesting them to consider the methods and scale of their operations and to ensure that they are able to respond appropriately to the requirements of such small and isolated Territories as Tokelau.
- (12) The Special Committee expresses the hope that the educational reforms discussed in the report of the 1976 Visiting Mission will include training in modern vocational skills which will meet the needs of the people of Tokelau.
- (13) Mindful that recent missions to small Territories have provided an effective means of assessing the situation in the Territories visited, as well as a useful and practical guide to administering Powers, and recalling, in particular, that the 1976 Visiting Mission considered that conditions in Tokelau should be kept under constant review, the Special Committee considers that the possibility of sending a second mission to the Territory at an appropriate stage in the future should be kept under review, taking into account, in particular, the wishes of the people of Tokelau.

ANNEX#

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*}Previously issued under the symbol of A/AC.109/L.1145.

TOKELAU a/

1. GENERAL

- 1. Basic information on Tokelau is contained in the report of the Special Committee to the General Assembly at its thirty-first session, which included the report of the 1976 United Nations Visiting Mission to the Territory. $\underline{\mathbf{b}}$ / Supplementary information is set out below.
- 2. Tokelau, a New Sealand dependency, consists of the three atolls of Fakaof., Atafu and Nukunonu. They are bounded by latitude 8° S and 10° S and by longitude 171° W and 173° W. According to a census held on 25 September 1975. the population totalled 1.603, as follows: Fakaofo, 665; Atafu, 564, and Nukunonu, 374.
- 3. During the visit to the Territory, the Mission received a claim from the general Fono that Swains Island (or Olohega), which now makes up a part of American Samoa and is administered by the United States of America, rightfully belonged to Tokelau. It was the Mission's view that the claim would have to be considered by all parties concerned and in the light of any further information which might be submitted to the Special Committee. c/

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

- 4. Tokelau is included within the boundaries of New Zealand and is administered under the authority of the Tokelau Islands Act, 1948, as smended, d/ which constitutes the basis of the Territory's legislative, administrative and judicial system. Under the provisions of the British Nationality and New Zealand Citizenship Act, 1948, Tokelauans are British subjects and New Zealand citizens.
- 5. The declared policy of the New Zealand Government has been to disturb as little as possible the internal institutions which make up the Tokelauan way of life. The report of the administering Power states that, as a result of this policy, the islands today are now in effect already self-governing. The Secretary of Foreign Affairs is the Administrator of Tokelau and is responsible to the New Zealand Minister for Foreign Affairs. There is no formal administration in the Territory

a/ The information contained in this paper has been derived from published reports and from the information transmitted to the Secretary-Seneral by the Government of New Zealand under Article 73 e of the Charter of the United Nations on 19 August 1976 for the year ending 31 March 1976.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XVII. annex.

c/ Ibid., chap. XVII, para. 11, subparagraphs (34)-(36), and annex, appendix IX.A.

d/ Ibid., annex, appendices I-VI.

- itself. Certain powers of the Administrator are delegated to the Official Secretary of the Office for Tokelau Affairs at Apia (Western Samoa). By agreement with the Government of Western Samoa, the Officer for Tokelau Affairs continues to be based at Apia. The Official Secretary and his staff regularly visit the Territory by chartered ship.
- 6. The 1976 Visiting Mission was informed of the reorganization of, and new general approach of the Administration towards, the Office for Tokelau Affairs. It took note of the desire of Tokelauans in the Territory, as well as those living in New Zealand, for greater participation in running the Office. According to the Mission, an effort was being made to convince the Tokelauans that the Office now belonged to them, and should not be regarded as an instrument of the New Zealand Government. Eventually, it would be headed by a Tokelauan and the post of Administrator would be eliminated.
- 7. The Mission expressed the hope that the New Zealand Government would continue to meet any increase in budget caused by the reorganization and revitalization of the Office at Apia.
- 8. The Mission also found during its visit that each island was virtually an autonomous unit. Each has a pulenuku (mayor), a faipule (representative of the Administration), elected every three years by universal suffrage, and a deliberating and legislative body which sits as the Council of Elders on extraordinary matters. They may also sit as the local court, the faipule acting as the judge of the court. The Mission did not detect any challenge to the authority of these institutions which appeared to be acceptable to all concerned.
- 9. It appeared to the Mission that a considerable body of New Zealand law was applicable in the Territory and that some work would have to be done to bring about uniformity in the legislation in order to ensure that there were no conflicts or contradictions with customary laws in effect in Tokelau.

B. Public service

10. The Tokelau Public Service, which was established in 1969 under the control of the New Zealand State Services Commission, comprises 143 permanent employees, of whom 4 have been seconded from the New Zealand Public Service. In addition, there are 100 casual labourers employed in Tokelau. Tokelau public servants receive inservice training in Western Samoa, under the Administration's training scheme, and in New Zealand under the New Zealand Bilateral Aid Training Programme.

C. Future states of the Territory

- 11. According to the Mission, the people of Tokelau considered that they were not yet ready to run their own affairs independently and wished to maintain their close ties with New Zealand for the time being. In that connexion, the Tokelauans had emphasized that it was in the interest of Tokelau to improve further the economic and social conditions in the island so as to meet the needs of the people.
- 12. The representatives of the administering Power assured the Mission that the wishes of the people would be respected and that it had no desire either to influence

the people or to force them into a decision.

13. The Mission considered that the administering Power had to make the issues clear to the people and explain the choices available to them in such a manner as to allay their apprehensions about the future. The Mission was informed by the administering Power that the latter was ready to give its support to the people to meet their needs and allow them to run their own affairs. In that regard, the Mission said it might well be necessary to give the Tokelauans a guarantee of financial and technical assistance.

D. Nuclear testing

14. The Mission drew the attention of the Special Committee and of the General Assembly to a submission received from the general Fono regarding nuclear testing in the Pacific Ocean. e/

E. Future visiting missions

15. The Mission considered that the question of very small territories such as Tokelau should be kept under constant review and it therefore recommended that the United States should pursue the matter with a view to reaching an adequate and satisfactory solution concerning the future political status of all small Territories.

3. ECONOMIC CONDITIONS

A. General

16. The physical characteristics of the stolls allow very little scope for economic development and the few natural resources are sufficient only to meet the needs of the simple pattern of life followed by the people. The economy of the Territory is based principally on the resources of the sea and on the coconut and pandanus palms. The 1976 Visiting Mission stated that the people tended to stress the improvements which they expected the administering Power and, to a lesser extent, the international community to bring to Tokelau, but it pointed out that improvements were limited by such factors as the quantity and quality of land available on which to grow crops and the availability of able-bodied workers.

e/ Ibid., chap. XVII, para. 11, (37), and annex, appendix VIII.

B. Agriculture

17. Apart from the manufacture of copra, agricultural products are of a basic subsistence nature. Food crops consist of coconuts, pulaka, breadfruit, ta'amu, pawpaw, the fruit of the edible pandanus and bananas. The Mission stated that the rhinoceros beetle blight on Nukunonu had been brought under control, but that the coconut palms throughout the Territory continued to be ravaged by rats. The poor quality of the soil and the lack of potable water added to the Territory's agricultural problems. The Mission noted that the Territory had received help from the South Pacific Commission and considered that appeals for further assistance might be made to other international agencies.

C. Fishing

- 18. Ocean and lagoon fish and shellfish are available in quantity and form a staple constituent of the diet, as well as a possible major source of revenue. The Mission expressed serious concern about the problems basetting the Tokelauans in that domain. New legislation was expected to add 9 nautical miles to the present 3-nautical mile limit, making a total of 12 nautical miles, but the responsibility for policing those waters rested with the Tokelauans who, according to the Mission, were unable to do the work effectively. The Mission stated that it had received many complaints about poaching and that, if the 200-nautical mile zone were adopted by the Third United Nations Conference on the Law of the Sea, a new approach would be required for the more difficult task of protecting the larger area. The Mission considered that all parties concerned should continue to search diligently for an effective answer to the poaching problem.
- 19. The Mission also stated that the Tokelauans required improvements and additions to the reef channels, which served as their outlets to the sea, and urged the administering Power, in consultation with appropriate international agencies, to study and implement means of improving access to the sea through the reefs. The Mission also suggested that the administering Power, in consultation with the local population, should investigate the feasibility of establishing a commercial enterprise in the Territory.

D. Transport and communications

20. The Mission found that one of the major problems in the Territory was the limited communication with the outside world. Given the daily cost of chartering a vessel, frequency and regularity of contact were not guaranteed. The administering Power reports that, in the year ending 31 March 1976, two motor vessels were chartered for a total of six trips and one aircraft was chartered to air drop medical supplies urgently required at Fakaofo. The Mission considered that representatives of the administering Power and the local leaders should together study the shipping schedule in relation to the needs of the population as well as the available funds for boat charters.

E. Public finance

- 21. Total revenue for the year ended 31 March 1976 was \$NZ 63,817 f/compared with \$NZ 33,197 in 1975. Expenditure for the year was \$NZ 709,585, as follows: capital works development, \$NZ 169,747; education \$NZ 163,765: health, \$NZ 79,890; communications and transport, \$NZ 143,704; administration, \$NZ 69,508; public works, \$NZ 43,620; and agriculture, \$NZ 39,261.
- 22. In February 1974, the New Zealand Government announced that finencial aid to the Territory for the triennium 1974/75 to 1976/77 would amount to \$NZ 1.4 million. Subsequently, the New Zealand Government announced that additional aid totalling \$NZ 112,650 in 1974 and \$NZ 245,000 in 1975 would be provided to the Territory.
- 23. With regard to increasing local revenues, the Mission considered that there were certain areas, such as handicrafts and boat-building, which had not yet been thoroughly explored. It urged the administering Power, in consultation with the people of Tokelau, to examine those markets which might be open to them and might eventually prove to be viable.

4. SOCIAL AND EDUCATIONAL CONDITIONS

A. Housing

24. The 1976 Visiting Mission considered it of primary importance that the Administration set out and sustain a clear policy in the field of housing.

B. Public health

- 25. The Visiting Mission was impressed by the new hospital quarters which had recently been constructed on all three stolls. It suggested that more emphasis should be placed on preventive measures in the field of public health. The Mission was informed that, because of the isolation of the Territory, the inhabitants were not particularly registant to the diseases which each visit of a ship might bring. The Mission considered that there should be stricter health control of visitors.
- 26. The Mission also expressed the hope that, in future, the Office for Tokelau Affairs would be able to deal more effectively with problems relating to hospital supplies, such as depleted stocks and errors in the shipments of medicines

 $[\]underline{f}/$ The local currency is the New Zealand dollar. In 1977, \$NZ 1.00 was equivalent to approximately \$US 0.94.

C. Labour

- 27. As a result of the assisted resettlement scheme, whereby families were cffered the opportunity of settlement in New Zealand, overpopulation is no longer a problem and the local population is in a better state of equilibrium with available resources. Island leaders have agreed to suspend the resettlement scheme indefinitely.
- 28. While resettlement initially deprived some islands of manpower, its long-term effects are becoming evident. A number of Tokelauans, who had been resettled in New Zealand under the scheme, have expressed interest in returning to the islands to employ the skills they acquired in New Zealand.
- 29. According to the Mission, representatives of the administering Power at Wellington stated that wage discrepancies between Tokelauans and expatriate officers might have come about owing to variations in the development of the economies of Western Samoa and New Zealand. The Mission shared the view of the administering Power that Tokelauan wage earners should not suffer because of the fluctuating economies of other countries and suggested that the administering Power take steps to review and equalize the Tokelauan salary structure.

D. Education

- 30. In its report, the Mission stated that the educational system should meet the needs of the people of Tokelau and in so doing prepare each individual for one of several possibilities, namely, life in the Territory or emigration to New Zealand or elsewhere. In the past, although educated to New Zealand standards, local students had had little opportunity to acquire the skills necessary for living in New Zealand, while students returning from an overseas education had found few opportunities to apply their newly acquired skills. That dichotomy had helped to shape the educational policy of Tokelau in the past and had led, until the present, to considerable frustration on the part of the people. The Mission welcomed the intention of the New Zealand Government to improve the educational system as set out by the Administrator of Tokelau. g/ It considered that the administering Power should keep the subject under constant review and discuss it in depth, in consultation with the people of Tokelau, in the hope of finding more satisfactory solutions.
- 31. Primary education is available to all children. Scholarships are awarded for secondary and tertiary education in Western Samoa, Fiji and New Zealand. At the time of the Mission's visit, there was one New Zealand couple (at Fakaofo), 31 trained Tokelauan teachers and 16 teachers' aides in the education service.

g/ See Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XVII, annex, paras 75-79.

- 32. In 1975/76, there were 78 students and trainees in New Zealand under the Bilateral Aid Training Programme, in addition to 4 short-term in-service trainees. A further 30 Tokelauans were receiving training in Western Samoa, sponsored by the Tokelau Islands Administration.
- 33. Educational expenditure under the Bilateral Aid Training Programme amounted to \$NZ 96,421 in 1975/76, compared with \$NZ 58,561 in the previous year.

CHAPTER XV

(A/32/23/Add.4/)

BRUNEI

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CHAPTER XV

BRUNET

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, <u>inter alia</u>, to refer the question of Brunei to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1081st and 1083rd meetings, on 20 June and 6 July.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly, inter alia, requested the Special Committee: "Το continue το seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:
 - (a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly resolution 31/56 of 1 December 1976, by paragraph 7 of which the Assembly, inter alia, requested the Committee "to continue to keep the situation in the Territory under review ...".

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on developments concerning the Territory. The text of an exchange of letters, dated 2 May and 22 June 1977, between the Chairman and the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations, was circulated in a Committee document (see annex II to the present chapter).
- 5. At the 1081st meeting, on 20 June, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1081), introduced the report of the Sub-Committee (A/AC.109/L.1154), containing an account of its consideration of the Territory.
- 6. At ite 1083rd meeting, on 6 July, the Special Committee adopted without objection the report of the Sub-Correcttee on Small Territories and approved the draft consensus contained therein (see para. 8 below).

7. On 8 July, the text of the consensus was transmitted to the Permanent Representative of the United Kingdom for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

8. The text of the consensus adopted by the Special Committee at its 1083rd meeting, on 6 July 1977, to which reference is made in paragraph 6 above, is reproduced below:

The Special Committee, taking into account the statements made during the general debate on Brunei, mindful of General Assembly resolutions 3424 (XXX) of 8 December 1975 and 31/56 of 1 December 1976. whereby the Assembly, inter alia, reaffirmed the inalienable right of the people of Brunei to self-determination and independence in accordance with General Assembly resolution 1514 (XV) of 14 December 1960, called upon the administering Power, consistent with its responsibility as the administering Power, to take all steps within its competence to facilitate expeditiously the holding of free and democratic elections by the appropriate government authorities in Brunei in consultation with and under the supervision of the United Nations, and further called for, prior to the elections, the lifting of the ban on all political parties and the return of all political exiles to Brune i so that they could participate freely and fully in the elections. and called upon the administering Power, in conformity with the provisions of the relevant Assembly resolutions, to extend full cooperation to the Special Committee, including the provision of information on the Territory; noting once again that no progress has been achieved so far in the implementation of those resolutions, and noting with regret that the administering Power has so far not participated in the Committee's consideration of the Territory, calls once more on all parties concerned to work towards an early implementation of the General Assembly resolutions and decides, subject to any new directives which the General Assembly might give in that connexion at its thirty-second session, and taking into account the results of the consultations between the Chairman of the Special Committee and the administering Power, to continue consideration of the question at its next session.

ANNEX I*

WORKING PAPER PREFARED BY THE SECRETARIAT

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^{*} Previously issued under the symbol A/AC.109/L.1143/Rev.1.

BRUNEI a/

1. GENERAL

- 1. Basic information on the Territory is contained in the report of the Special Committee to the General Assembly at its thirty-first session. \underline{b} / Supplementary information is set out below.
- 2. Brunei is situated on the northern coast of the island of Borneo and comprises two enclaves in north-east Sarawak, East Malaysia, covering an area of about 5,765 square kilometres. Its capital is Bandar Seri Begawan. In 1975, the population was estimated at 147,000.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

- 3. Under an agreement signed in 1959 and amended in 1971, the Government of the United Kingdom of Great Britain and Northern Ireland continues to be responsible for Brunei's external affairs. The United Kingdom Government now plays a consultative role in defence in the event of the threat of an external attack by a third Power on the Territory. The United Kingdom is represented by a High Commissioner whose appointment is subject to the agreement of the Sultan.
- 4. Supreme executive authority is vested in the Sultan, Sir Hassanal Bolkiah, whose assent is required for all bills passed by the Legislative Council. In the exercise of his authority, the Sultan is assisted by the Mentri Besar (Chief Minister), the Privy Council and Council of Ministers. The Legislative Council, which consists of 20 members, 10 ex officio and 10 nominated, may make laws for the peace, order and good government of the State, subject to the assent of the Sultan. The Territory's judicial system consists of a High Court, a Court of Appeal and Islamic courts.
- 5. Brunei is divided into four districts, each of which is administered by a district officer advised by a district council, most of whose members are elected. There are municipal authorities in Bandar Seri Begawan, Kuala Belait, Seria and Tutong.

a/ The information contained in this paper has been derived from published reports.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. SVIII, annex.

B. Political parties

6. There are two recognized political parties in Brunei: Partai Barisan Kermerdekaan Rakyat, known as BAKER (People's Independent Front of Brunei), formed in August 1966 with the stated objectives of constitutional advance and independence; and the People's National United Party (PERKARA), formed in November 1968 with the stated aim of strengthening the position of Brunei as a sultanate. No recent information is available on the activities of these two parties or on their present status. A third party, the Partai Rakyat Brunei (PRB) (the People's Party of Brunei), registered in August 1956, has been banned since 1962 following the postponement of the Legislative Council. At that time, PRB declared independence unilaterally. On 12 December, the Sultan declared a state of emergency and called in British troops to re-establish order.

C. Future status of the Territory

- 7. During a meeting in the House of Lords on 24 February 1976. Lord Goronwy-Roberts, the Minister of State at the Foreign and Commonwealth Office of the United Kingdom, was asked whether his Government would consult with the Sultan of Brunei regarding the implementation of resolution 3424 (XXX) of 8 December 1975, by which the General Assembly reaffirmed the right of the people of Brune1 to self-determination and independence and called upon the United Kingdom to facilitate the holding of democratic elections following the lifting of the ban on political parties and the return of all political exiles to the Territory. The Minister replied that the United Kingdom Government had transmitted the resolution to the Sultan of Brunei. The Minister added that Brunei was a sovereign State and that the United Kingdom had no responsibility for its internal affairs. He also said that the United Kingdom Government had made known its view on participatory government to the Sultan and that a formal review of the treaty of relationship between the two Governments was proceeding at the request of the United Kingdom Government.
- 8. At the same meeting, Lord Brockway, a member of the House of Lords, expressed the view that the United Kingdom had considerable responsibility over Brunei, because so many of its officers were active in the administration of Brunei, and that consultations between the two Governments were, therefore, bound to continue in order to bring about a democratic society in Brunei and to restore the parliamentary institutions dissolved by the Sultan in 1970.
- 9. Speaking at the opening session of the Legislative Council on 27 December 1976, the Sultan declared that there was a need to strengthen Brunei's security. He warned "the people concerned" that the Government would not hesitate to act against elements who wished to create "disturbance, sedition and disunity" in the State. The Sultan also said that Brunei would continue to strengthen its friendly islationship with the United Kingdom, which had proved its sincerity towards Brunei.
- 10. In December 1976, it was reported that four members of PRB, who had played an active part in the 1962 rebellion, had been released after having

- spent 13 years in detention. They were the first detainees to be released since March 1976, when four other detainees were given their freedom. According to an official of the Department of Security and Intelligence, 22 members of PRB were still in custody, in addition to 6 others, who were arrested during 1976.
- 11. By its resolutions 3424 (XXX) of 8 December 1975 and 31/56 of 1 December 1976, the General Assembly, among other things, called for, prior to the elections, the lifting of a ban on all political parties and the return of all political exiles to Brunei so that they could participate freely and fully in the elections.

3. ECONOMIC CONDITIONS

- 12. Brunei's economy depends almost entirely on its rich petroleum resources, which account for over 95 per cent by value of all exports. Other economic activities include rubber cultivation, subsistence agriculture, forestry and fishing.
- 13. The Economic Development Board, established under the five-year development plan approved in 1974 to promote private industry and encourage foreign investment, began operation early in 1976.
- 14. Plans have been made to construct a urea fertilizer plant at Muara, the main port. The plant would use natural gas obtained from off-shore areas, probably from Champion Shoal F 1d, and would cost an estimated %R 500 million. c/ To be economically viable, the plant would have to produce 900 metric tons of ammonia daily for conversion into 1,350 metric tons of ures. The Brunei Government has signed an agreement with Guiness Peat (Overseas), Ltd., of London, to carry out the initial survey for the project. According to a government official, the plant had been listed as one of the private sector projects in the five-year development plan.
- 1.5. In 1976, the Brunei Shell Petroleum Company increased its crude oil production, although output was still below the peak rate of 230,000 barrels a day achieved in 1973. The increase was mainly from off-shore wells, which produced 176,000 barrels a day in the first quarter, 187,000 barrels in the second quarter and 196,000 barrels in the third quarter. On-shore production temained steady at around 31,000 barrels a day. Exports of liquid natural gas to Japan comprised 41 shipments in the first quarter of 1976, 32 in the second and 35 in the third. Each shipment contained approximately 73,000 cubic metres.

c/ At 1 July 1972, \$BR 2.82 were reported to be equivalent to \$US 1.00.

ANNEX II*

EXCHANGE OF LETTERS BETWEEN THE CHAIRMAN OF THE SPECIAL COMMITTEE AND THE PERMANENT REPRESENTATIVE OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND TO THE UNITED NATIONS

- A. Letter dated 2 May 1977 from the Chairman of the Special Committee addressed to the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations
- 1. I have the honour to refer to the question of Brunei. The Sub-Committee on Small Territories of the Special Committee recently made its annual study of this item and adopted a consensus, a/ which I consider reflects to some degree the frustration of its members on this question, owing to the lack of information available on the Territory and to the lack of response on the part of the Governments of the United Kingdom of Great Britain and Northern Ireland and of Brunei to the provisions of General Assembly resolutions 3424 (XXX) of 8 December 1975 and 31/56 of 1 December 1976.
- 2. I have studied the position of your Government, as defined most recently by the representative of your Government in the Fourth Committee during the previous session of the General Assembly. b/ Nevertheless, in the absence of verification by the United Nations of the measures which, in the view of the United Kingdom Government, have restored to the Territory of Brunei full control over its internal affairs, it remains the position of the Special Committee that Brunei is a dependent Territory within the terms of Chapter XI of the Charter of the United Nations
- 3. I should welcome your views on this matter and, in particular, wish to draw your attention to the above-mentioned consensus adopted by the Sub-Committee on Small Territories, in which it called on the United Kingdom, as the administering Power, to provide the Special Committee with information on the Territory of Brunei.

^{*}Previously issued under the symbol A/AC.109/547.

a/ See para. 8 of the present chapter.

b/ Official Records of the General Assembly, Thirty-first Session, Fourth Committee, 28th meeting, paras. 16 and 17.

B. Letter dated 22 June 1977 from the Permanent Representative of the United Kingdom of Great Britain and Northern

Ireland to the United Nations addressed to the Chairman of the Special Committee

As my Government have repeatedly made clear, Brunei is a sovereign State which has freely chosen to maintain a treaty relationship with the United Kingdom for more than 100 years. Throughout that time, responsibility for the internal affairs of Brunei has lain solely with the Government of Brunei. With the conclusion of the agreement of 23 November 1971, the United Kingdom surrendered such advisory functions in relation to the internal affairs of Brunei as were conferred on it under previous agreements. The United Kingdom is not, and never has been, the administering Power. For a detailed explanation of my Government's position on this question, I would refer Your Excellency to my note verbale of 26 September 1975 to the Secretary-General (A/10269).

With regard to the question of verification by the United Nations of the constitutional position of Brunei, I would like to assure Your Excellency that my Government is willing to forward to the Brunei Government any communication that you may with to transmit. It would be for the Brunei Government to respond to any such communication, though we would, of course, be ready to transmit their reply.

CHAPTER AVI

(A/32/23/Add.4)

SOLOMON ISLANDS

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CHAPTER XVI

SOLOMON ISLANDS

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, inter alia, to refer the question of the Solomon Islands to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1079th meeting, on 14 June.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly, inter alia, requested the Special Committee: "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:
 - (a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly resolution 31/46 of 1 December 1976, by paragraph 6 of which the Assembly requested the Committee "to keep the situation in the Territory under review".

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the Territory.
- 5. The representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power concerned, participated in the work of the Special Committee during its consideration of the item.
- 6. At its 1079th meeting, on 14 June, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1079), introduced the report of the Sub-Committee (A/AC.109/L/1155), which contained an account of its consideration of the Territory.
- 7. At the same meeting, the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and endersed the conclusions and recommendations contained therein (see para. 9 below).

8. On 15 June, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United Kingdom to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

- 9. The text of the conclusions and recommendations adopted by the Special Committee at its 1079th meeting, on 14 June 1977, to which reference is made in paragraph 7 above, is reproduced below:
 - (1) The Special Committee reaffirms the inalienable right of the people of the Solomon Islands to self-determination and independence in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.
 - (2) Fully aware of the special circumstances of the Solomon Islands, owing to such factors as their size, geographical location, population and limited natural resources, the Special Committee reiterates the view that these circumstances should in no way delay the speedy implementation of the process of self-determination (conformity with the Declaration contained in resolution 1514 (), which fully applies to the Territory.
 - (3) The Special Committee notes with appreciation the continued co-operation of the administering Power in participating actively in the work of the Committee, thereby enabling the Committee to conduct a more informed and meaningful examination of the Solomon Islands with a view to accelerating the process of decolonization towards the full and speedy implementation of the Declaration.
 - (4) The Special Committee takes note of the approval by the Legislative Assembly of the Solomon Islands of the outline of a draft unitary constitution for independence that would allow for effective devolution of power and responsibility to local government. In this connexion, the Committee welcor's the possibility that the constitutional proposals will be further discussed in London by a delegation from the Territory, as part of the forthcoming independence talks. The Committee, while noting with regret that the plans for independence in 1977 had to be postponed, expressed the hope that future talks relating to the Territory's transition cowards independence will be fully guided by the wishes and aspirations of the people of the Solomon Islands, and that independence will follow at a point in time acceptable to the parties directly concerned.
 - (5) The Special Committee welcomes the comprehensive way in which the Solomon Islands Government has approached the preparation of a sound political and economic foundation for independence.
 - (6) The Special Committee notes that, according to the budget statement made by a member of the Government on 29 November 1976, the

number of expatriates employed in established public services posts has fallen steadily. From 1973 to 1976, the percentage of expatriates employed was virtually cut in helf. The Committee notes with interest that the Government aims to reduce further its dependence on expatriate officers in senior public service posts.

- (7) The Special Committee notes that in the economic field the Territory has made some progress towards diversifying its economy beyond an agricultural base and has also had some success in avoiding the pitfall of dependence on one or two exports as the major sources of revenue. The Committee feels that the development of light industry should be encouraged so as to supply the Territory with some of the consumer goods it now imports. To facilitate this development, further work is required on improvement of transportation and communications facilities.
- (8) The Special Committee notes that several of the new enterprises established in the Solomon Islands are joint ventures between the Solomon Islands and foreign interests. It remains unclear, as to what extent the Solomon Islanders themselves participate in the management and operations of these enterprises. In this connexion, the Committee reiterates its view that it is most important that the indigenous peoples of dependent Territories should not be forced to relinquish control of economic resources and institutions as the price for attaining a degree of economic progress. The Committee notes with satisfaction that the objectives of the National Development Plan (1975-1979) include the elimination of "colonial economic and political control in the move to independence" and the avoidance at the same time of foreign control of key sectors of the economy.
- (9) The Special Committee notes the expectation of the Solomon Islands Government that it will require increased economic development assistance in the initial years of independence and expresses the hope that the specialized agencies and other organizations within the United Nations system, in particular the United Nations Development Programme, as well as regional organizations, such as the Asian Development Bank, will continue to render assistance.
- (10) The Special Committee welcomes the willingness of the administering Power to render budgetory and development assistance to the Solomon Islands following the attainment of independence. The Committee also notes with satisfaction the development assistance provided to the Solomon Islands by the Governments of Australia and New Zealand.
- (11) The Special Committee, taking into account the different circumstances in the cash and subsist are sectors of the economy of the Territory, calls attention to the need for continued efforts to increase wages and to improve and standardize working conditions.

(12) The Special Committee takes note of the establishment of a new, free public education system and expresses the hope that, with the proposed expansion of schools at all levels during the period 1975 to 1979, the new system will provide the Territory with free universal schooling. The Committee also expresses the hope that efforts to promote vocational and technical training will be pursued.

ANNEX!

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*} Previously issued under the symbol A/AC.109/L.1142.

SOLOMON ISLANDS a/

1. GENERAL

- 1. Basic information on the Territory is contained in the report of the Special Committee to the General Assembly at its thirty-first session. b/Supplementary information is set out below.
- 2. In 1975, the population of the Solomon Islands was estimated at 187,500, compared with an estimated 184,500 in 1974. The largest concentration of people was in Honiara, the capital, which had a population of 14,000 in 1972.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

- 3. Under the terms of the present Constitution, which came into effect on 21 August 1974, the Governing Council was replaced by a Legislative Assembly. A subsequent Order-in-Council increased the number of elected members from 24 to 38. The elected members choose the Chief Minister. The Assembly also has two ex officio members: the Deputy Governor (whose chief function is to act as an assistant to the Governor in the exercise of his responsibilities for defence, external affairs, internal security and public service), and the Attorney General. Ministers other than the Chief Minister are formally appointed by the Governor, acting in accordance with the advice of the Chief Minister. The Council of Ministers is collectively responsible to the Legislative Assembly.
- 4. The order conferring internal self-government on the Solomon Islands was approved by the Legislative Assembly on 12 November 1975 and went into effect on 2 January 1976.
- 5. Elections to the newly enlarged Legislative Assembly were held on 22 June 1976. The Assembly held its first meeting in mid-July, and elected Peter Kenilorea, an independent, as the Territory's Chief Minister. Mr.

a/ The information contained in this paper has been derived from published reports and from the information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 16 June 1976 for the year ending 31 December 1975.

b/ Official Records of the General A embly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XXI, annex.

Kenilorea is a former school teacher, former Secretary of the Legislative Assembly and former District Commissioner of Makira.

- 6. Solomon Mamaloni, the former Chief Minister, who had been returned to the Assembly with what was said to be the largest majority, had reportedly been favoured for the position. However, his support was raduced when two of his ministers lost seats in the elections. The largest upset in the elections was reported to have been the loss of the Honiara constituency by Ashley Wickham (former Minister of Works and Public Utilities) to Nathan Wate of the trade union movement's political wing, the Nationalist Party. That party, making its debut in the elections, won 6 of the 38 seats in the Assembly, which may portend greater trade-union militancy in the Solomon Islands. The Melanesian Action party claimed at least 12 seats, the remainder going to independents. Fifteen members of the former Assembly retained their seats.
- 7. Subsequently, Mr. Kenilorea named his new Council of Ministers. Only two of the seven had formerly held posts in councils.
- 8. In January 1977, the <u>Pacific Islands Monthly</u> quoted the new Chief Minister as having said that "political parties have not really got off the ground in the Solomons" and that the two parties previously formed, the People's Progress Party (PPP) and the United Solomon Islands Party (USIP), appeared to be moribund. He added that the Nationalist Party, which contested 35 seats in the June elections, had won only six. Mr. Kenilorea also stated that, if "we can integrate our Solomon Islands attitudes at a national level, we can govern the country without parties... If political parties develop, and there seems to be some evidence now that they will, then the Government must ensure stability by ensuring majority support for itself ... That might be seen as the creation of a party too".

B. <u>Judiciary</u>

9. Civil and criminal jurisdiction is exercised in the Solomon Islands by the High Court of the Western Pacific, consisting of a Chief Justice and a puisne judge. The Chief Justice is ordinarily resident in the Territory and the puisne judge is resident in the New Hebrides. The Court is a superior court of record and exercises jurisdiction similar to that vested in the High Court of Justice in the United Kingdom. The High Court (Civil Procedure) Rules, 1964, regulate the civil procedure of the Court.

C. Local government

10. The Territory is divided into four administrative districts, comprising nine local councils, which have been provided with adequate financial and management assistance from the central Government to cope with the extra duties and responsibilities that they agreed to assume in 1974, when the total number of local councils was reduced from 18 to 9 and the number of elected seats from 228 to 174.

D. Future of the Territory

- 11. In August 1976, a committee set up earlier in the year to consider the framework of a constitution for an independent Solomon Islands reported to the Legislative Assembly that the Territory might become independent at a later time than the original target of mid-1977.
- 12. During the discussion on the report of the constitutional committee in September 1976, Bartholomew Ulufa'alu, the Leader of the Opposition and founder and leader of the Nationalist Party, asked that the report be referred back to area committees, local councils, interested bodies and the public for further discussion. Other members reportedly criticized the constitutional committee for not visiting all parts of the country to determine the views of the population. They argued that many points in the report were not understood by constituents and that some parts of the draft constitution did not suit the situation in the Solomon Islands. The final step to full independence seemed unlikely before 1978 at the earliest. The new Chief Minister said that his Government would request the United Kingdom to delay independence. The Assembly decided to postpone further discussion on the report until January 1977.

E. Public service

13. According to the snnual report of the administering Power, despite a reduction in the number of public service posts in 1975 owing to restructuring, the proportion of Solomon Islands employed in the service rose slightly to almost 75 per cent of the established posts. The number of designated expatriate officers fell to 273 and the number of non-designated expatriates fell to 53 (279 and 56, respectively, in 1974). The number of vacancies (208, or less than 10 per cent) was the lowest recorded over the last six years. The proportion of officers of Solomon Islands origin in senior positions in the public service amounted to 22 per cent of the 228 most senior positions (18 per cent were vacant and 60 were filled by expatriates).

3. ECONOMIC CONDITIONS

A. General

- 14. The Territory's principal resources are its agricultural land, coconut palms, fisheries, forests and minerals. It specializes in the production of a few commodities for export, aminly copra and timber, and depends heavily on imported goods to satisfy local requirements.
- 15. In 1975, imports totalled A 22.3 million c/ (A 17 million in 1974) and exports amounted to <math>A 11.8 million (A 18.3 million in 1974). The trade deficit

c/ The local currency is the Australian dollar. At March 2 1977, \$A 1.00 was euqivalent to approximately \$US 1.10.

of \$A 10.5 million was the largest in the history of the Territory. According to the annual report of the administering Power, although imports in 1975 were exceptional, a large percentage of the goods imported could be considered as capital investment in the Territory by some of the major companies operating in the islands. Exports, on the other hand, reportedly suffered largely from the effects of the world recession. World prices of copra (see para. 20 below), timber and fresh fish were all well below 1974 levels. Exports of copra in terms of value decreased from \$A 9.0 million to \$A 4.6 million, although the volume increased from 21,787 metric tons to 27,261 metric tons.

B. Land

16. According to the annual report of the administering Power, the Land Registry Office was strengthened by the appointment of an expatriate Deputy Registrar in February 1975. At present, the Assistant Registrar, who has been in the office for seven years, is the only trained Solomon Islander on the staff, although a recently appointed officer is now being trained. During the year under review, a total of 31 applications for first registration were disposed of, 29 of which involved settlement of documentary titles. The total area of land held under registered title in 1975 was 319,527 hectares (267,347 hectares in 1974). The number of registered titles was 5,207 (4,600 in 1974).

C. Agriculture

- 17. The year under review saw the completion of the Sixth Development Plan (1971-1974) and the inception of the National Development Plan (1975-1979), which also recognizes the fundamental importance of agriculture to the economy. In order to achieve the objectives of the National Development Plan, which differs little from the previous plan, the Government envisages the following measures:
- (a) Improved transport and marketing services and establishment of a marketing board and additional rural trading and marketing centres;
- (b) Special assistance to communal farming projects of over 100 hectares in areas of high potential;
- (c) Training, particularly for groups of smallholders, in the agricultural and financial aspects of commercial farming through the extension services, which are controlled by the local councils;
- (d) Special programmes for less-developed areas to promote the growing of suitable cash crops and the raising of livestock;
- (e) Research and extension programmes, including large-scale field trials, with the aim of raising productivity and expanding diversification;
- (f) Subsidies in the form of cash grants, materials and internal freight for worthwhile projects which cannot initially support loans;

- (g) Loans linked to advisory services (to replace subsidies), wherever projects can support them, to serve as the only source of finance for the expansion of established projects;
- (h) Large-scale commercial production of copra, rice, palm oil and cocoa, in order to increase local employment opportunities, in association with smallholder farmers, where appropriate;
- (i) Government inspection, and the establishment of quarantine and standards controls;
- (j) Restricted expansion of village-level extension services and increased productivity at all levels.
- 18. The over-all concept behind the plan is to continue the trend away from dispersive and often destructive subsistence farming towards a more disciplined commercial approach, which is considered to be the only form of viable agriculture that would be acceptable to, and provide job opportunities for, future generations.

Copra

- 19. In 1975, the decline in copra prices resulted in a drop in production in both the smallhoider and plantation sectors. Total production during the year amounted to 23,108 metric tons (28,549 metric tons in 1974). The reaction of smallholders to the sharp drop in price was reflected in a 47.9 per cent decline in over-all production (36.6 per cent in 1974).
- 20. The Copra Board maintained buying points at Gizo, Yandina and Honiara. At the beginning of the year, the price paid for first-grade copra was \$A 268.8 per metric ton, \$A 257.60 for second-grade copra and \$A 246.40 for third-grade copra (\$A 203 for first and second grade and \$A 189 for third grade in 1974). By June 1975, however, owing to a massive easing of world prices, the price paid for first-grade copra had dropped to \$A 100.80 per metric ton and remained at that level until the end of the year, at which point the Copra Board began to subsidize the price from its reserves to the extent of \$A 17.00 per metric ton. Furthermore, due to the falling prices, the Board purchased 2,000 metric tons less in the last quarter of 1975 than it had in the corresponding quarter of 1974, when \$A 336 per ton was being paid for first-grade copra.

Other crops

- 21. Production of dried cocoa beans improved marginally during 1975, with a total export of 122 metric tons (105.6 metric tons in 1974). Good world prices and an increased acreage were principally responsible for the additional yield. High processing and quality standards were maintained with the exception of one fermentary. The bulk of the crop was again sold on the European market.
- 22. In 1975, Solomon Islands Plantations, Ltd., continued large-scale field planting of oil palm seedlings on Kolombangara Island and at Kongga on Guadalcanal. Planted in 1972, the early growth of palm is encouraging. There are indications, however, that plantings near the forest edge on Kolombangara

- Island may be suffering from a minor attack by the beetle <u>Scapanes australis</u>. A total of 2,680 hectares was planted during the year (2,023 hectares in 1974).
- 23. Although the irrigable rice area on the Guadalcanal Plains was being rapidly expanded, the planted area remained at 410 hectares in 1975. About 3,500 metric tons of paddy were produced in 1975, yielding 2,100 metric tons of milled rice. Self-sufficiency is yet to be attained.
- 24. Furing the year under review, 40.4 metric tons of spaces were produced and exported (40.7 metric tons in 1974), as follows: tabaseo chillies, 32.4 metric tons; long red chillies, 2.5 metric tons; turmeric, 3.0 metric tons; and ginger, 2.5 metric tons. The ginger export, the first from the Territory, was an experimental consignment to London, where the quality was reported to be acceptable.

D. Livestock

- 25. Under the National Development Plan, the Government plans to:
 - (a) Import cattle to build up a national herd of 50,000 head;
 - (b) Maintain a government breeding herd of about 500 head;
- (c) Maintain about one third of the national herd in large commercial herds and two thirds on smallholder or community block farms;
 - (d) Open a meat cannery and an abattoir which would meet export standards;
- (e) Develop local markets for meat throughout the Territory, together with abattoirs and cold storage facilities under the ownership of the local councils;
- (f) Promote the export of surplus, high-quality meat to countries in the Pacific Ocean area;
- (g) Carry out a feasibility study of the possibility of establishing a statutory authority to plan and co-ordinate all aspects of cattle development;
- (h) Continue payment of subsidies to encourage the establishment of new herds, the subsidies to be in the form of below-cost prices for new breeding stock, cash to assist in pasture and stockyard development, fencing wire to complete approved pastures and payment of domestic freight costs for cattle and other imports;
- (i) Provide credit financing for farmers through the Loans Board/ Development Bank;
- (j) Control rates of expansion, as indicated above, by limiting in advance the amount of pasture and the head of cattle in each area which wil qualify for subsidy, and by concentrating extension work on the training of established farmers in herd management and commercial practices.

26. With the exception of a negligible quantity of high-grade beef for steak cuts imported by hotels, all beef consumed in the Territory in 1975 was locally produced. The principal constraint to self-sufficiency in fresh beef is the number of market outlets. At the end of 1975, there were 786 smallholder and community block cattle holdings with about 6,500 head of cattle. The remainder of the total national herd of about 24,000 (21,000 in 1974) was owned by plantations and missions. Sixteen hundred breeding cattle were imported from Australia in 1975 under British and Australian aid programmes.

E. Fisheries

- 27. In 1975, the catches in the Territory were poor, at a rate of 2.6 metric tons a day, compared with 4.5 metric tons in 1974. Solomon Taiyo, Ltd., acquired two new catcher vessels to supplement the boats it was using under charter agreements, one of which was wrecked during the year. During that period, the company exported 3,641 metric tons of frozen fish, 1,006 metric tons of smoked tuna and 2,619 metric tons of canned tuna. The number of Solomon Islanders employed in the industry rose to 532, compared with 154 expatriates, mainly Japanese fishing crews of the chartered vessels.
- 28. The most notable event during the year was the opening of a new fishing base by Solomon Taiyo in Western District, which is expected to expand the fishing area and the company's freezing capacity. The Houiara fish market sold 172 metric tons of skipjack, caught by Solomon Taiyo. A noticeable trend during the year was the increase in commercial fishing by rural groups, using ice as a preserving agent and marketing the catch in Honiara.

F. Forestry

- 29. During 1975, the Forestry Policy Review Committee studied all aspects of forestry in the Territory, and held discussions with a number of islanders during the course of its work. Its report was submitted to the Legislative Assembly, which accepted it with reservations in September 1975, following a debate on the subject. The main principles of the report have been incorporated in the National Development Plan. The Plan sets out the following aims for forestry:
 - (a) Conservation of the environment and resources of the Territory;
 - (b) Expanded employment, infrastructure and services in rural areas:
 - (c) Increased export earnings;
 - (d) Increased government revenue:
 - (e) Incremed economic activity through linage to other sectors.
- 30. In 1975, total log production amounted to about 229,000 cubic metres, valued at \$A 3 million, compared with 226,550 cubic metres in 1974, valued at \$A 4 million.

G. Mining

Bauxite

- 31. At present, the only probability of mining in the Solomon Islands is a bauxite project on the islands of Rennell and Wagina, which has been the subject of a joint feasibility study since 1974 by the Mitsui Mining and Smelting Company, Ltd., of Japan and Pacific Aluminium, Ltd., of Australia. The study was expected to be completed by late 1976.
- 32. Rennell has a population of about 1,000, who are Polynesian and, with an estimated 500 inhabitants on Bellona Island, a smaller atoll 15 killometres away, make up a remote community, distinct from the majority of Solomon Islanders, most of whom are Melanesian.
- 33. The bauxite on both folands has a unique quality and is both difficult and uneconomic to treat with conventional processing methods. Mitsui has undertaken detailed and intensive research at its central laboratory into an alternative process, which would make the project worthwhile. New technology for the treatment of this type of bauxite is now being tried. The world-wide depression on the metal markets has been a further obstacle to its production. Mitsui anticipates an eventual annual production of 1.5 million metric tons of bauxite (dry base) and approximately 600,000 metric tons of alumina. An initial capital investment of \$A 1.3 billion is envisaged. It is estimated that the preparatory construction work at peak period would require a labour force of 2,000 and that the operation of the mining areas and the processing facilities would provide employment for 800 persons for an indefinite period. The life of the mining areas is estimated at 35 years.

H. Manufacturing

34. The Solomon Taiyo fish-freezing and canning facility at Tulagi operated at a reduced level during 1975. Other manufacturing industries in operation throughout the year included the production of rattan and other furniture, fibre-glass articles, clothing, boats, batteries and spices. A soap factory was established and was expected to be in production early in 1976. Further inquiries were received from overseas on prospects for setting up industries in the Solomon Islands. Processing industries operating in 1975 included biscuits, twist and rubbed tobacco, non-alcoholic beverages, ice cream, snack foods, bêchede-mer and dried shark fins.

I. Public finance

35. The Territory's recurrent budget is balanced by a grant-in-aid from the United Kingdom and most of the capital budget is met from United Kingdom development funds. According to the report of the administering Power, revenue and expenditure for 1973 and 1974 were as follows:

	1973 (Australian dollars)	
Local recurrent revenue	5,708,309	8,215,532
United Kingdom aid (grant-in-aid and capital aid)	5,146,687	5,190,223
Other revenue	75,740	170,386
Recurrent and capital expenditure	11,142,062	12,896,492

36. At 31 December 1974, the public debt amounted to \$A 644,353. The Government has issued guarantees in respect of the repayment of certain loans and thereby retains a contingent liability fund totalling \$A 1.2 million.

J. Transport and communications

37. A new shipping company, Oceania Lines, will give the Solomon Islands access to markets in Micronesia for rice and other agricultural products. The company, based on Saipan, will link the Mariana Islands with the Solomon Islands and Australia.

4. SOCIAL CONDITIONS

A. Co-operative societies

38. During 1975, 23 co-operative societies were formed, bringing the total number of active societies to 213, with a membership in excess of 12,000 persons (11,000 in 1974). According to the annual report of the administering Power, on the basis of five persons per family, more than 60,000 people in the Solomon Islands are directly or indirectly affected by the co-operative movement. The most significant area of growth has been in the urban consumer societies, which showed a marked increase in popularity during 1975. There was also a substantial increase in the wholesale turnover of the two co-operative wholesale organizations, which had a joint turnover of more than \$A 1.7 million in 1975.

B. Labour

39. The total labour force at 30 June 1974 was 14,184 (13,867 in 1973). Of this number, 1,190 were in public adminstration and 2,928 in social services. The daily wage rates paid by the Government were reviewed in April 1975. Under the new arrangements, the basic wage of a newly engaged unskilled worker is \$A 1.68 per day, paid monthly for a five-day working week of 40 hours. Experienced labourers and artisans receive wages of \$A 2.08 to \$A 4.64 per day, according to skill. The new rates were also reflected in parts of the private sector.

- 40. According to the annual report of the administering Power, following the introduction of the Labour (Wages Advisory Board) Rules, a report was accepted in respect of five categories of workers in Honiara whose minimum wage was 10 cents per hour, or \$A 19.80 for 198 hours per month. This was reviewed in late 1974 and, as a result, the minimum wage for seven categories of workers in Honiara was increased on 1 January 1975 to 13 cents per hour for a 45-hour week where housing was supplied. The Wages Advisory Board was reconstituted in 1975 and a new minimum wage was expected to be introduced in 1976.
- 41. The principal government medical institutions comprise a central hospital at Honiara (158 beds) and three district and three rural hospitals (318 beds). The government leprosarium on Guadalcanal was closed 30 June 1975 and the missions maintain four hospitals (295 beds) and many church centres provide medical services ranging from first-aid treatment to in-patient hospital care by qualified nurses.
- 42. Expenditure by the medical department was estimated at \$A 1.2 million in 1975 (\$A 1.1 million in 1974). At mid-1975, per capita expenditure by the Government for health services was \$A 5.82 per person.

5. EDUCATIONAL CONDITIONS

- 43. The Ministry of Education and Cultural Affairs, which replaced the Department of Education in 1974, carried out its first full year of operations in 1975, during which it made major changes in the organization and control of primary and secondary education. The former controlling authorities of the primary schools, mainly religious institutions (with a few government schools), were replaced by a system of interim education boards under the control of the local councils. These boards became statutory on 1 January 1976. Each of the eight councils in the Territory has an education board, which serves as a sub-committee of the council and is responsible for the running of schools within the area. Professional staff from the Ministry are attached to each education board and work closely with the councils.
- 44. In 1976, several important changes took place in the field of primary education: school tuition fees were abolished; standard 7 classes were discontinued; and the selection tests formerly held at standard 4 were terminated. The minimum age of entry to primary school is now set at seven years, and all students follow a six-year course to standard 6.
- 45. In secondary education, five of the national secondary schools continued as grant-aided schools, although Betikama High School became a private secondary school financed by the Seventh Day Adventist Church. These schools will continue provide an academic education for selected students. Work began during 1975 on the establishment of four new secondary schools, which will provide an environmentally based, vocational type of education to a number of students who could not gain a place in the national secondary schools. These schools were to begin operation early in 1976.
- 46. The number of registered primary schools at 1 March 1975 was 344 (323 in 1974). Of this number, 266 were aided primary schools and 78 were private primary schools. The number of students in primary schools was 28,219 (24,115).

- in 1974). There were five aided secondary schools and one private school with a total enrolment of 1,555, compared with 1,566 in the previous year. The teacher-training courses produced 24 teachers for the primary and 15 teachers for the secondary schools. During the year, there were 589 students at the Honiara Technical Institute 706 in 1974). Students following higher education overseas numbered 144 (110 in 1974).
- 47. Government expenditure on education was \$A 2.2 million in 1975 (17.9 per cent of total government expenditure) compared with \$A 1.6 million in 1974 (15.3 per cent of total government expenditure).

CHAPTER XVII

(A/32/23/Add.4)

PITCAIRN

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CHAPTER XVII

PITCAIRN

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, inter alia, to refer the question of Pitcairn to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the Territory at its 1079th meeting, on 14 June.
- 3. In its consideration of the item, the Special (committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly, inter alia, requested the Special Committee

"To continue to seek suitable means for the immediate and full implementation of independence and, in particular:

(a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly decision 31/406 E of 1 December 1976, by which it deferred to its thirty-second session consideration of the question of Pitcairn.

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the Territory.
- 5. The representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power concerned, participated in the work of the Special Committee during its consideration of the item.
- 6. At its 1079th meeting, on 14 June, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/P.'.1079), introduced the report of the Sub-Committee (A/AC.109/L.1150) containing an account of its consideration of the Territory.
- 7. At the same meeting, the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and approved the draft consensus contained therein (see para. 9 below).

8. On 15 June, the text of the consensus was transmitted to the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

9. The text of the consensus concerning Pitcairn adopted by the Special Committee at its 1079th meeting, on 14 June 1977, to which reference is made in paragraph 7 above, is reproduced below:

The Special Committee, having examined the question of Pitcairn, takes note of the statement of the representative of the United Kingdom of Great Britain and Northern Ireland, reaffirming the policy of that Government, as the administrative Power concerned, to preserve the island community life for as long as the people of the Territory wish and are physically able to remain on the island. The Special Committee welcomes the substantial efforts made to improve the Territory's communications facilities, in particular, the works being carried out in the harbour, and the possibility of providing Pitcairn with an air strip, which would benefit its inhabitants. The Special Committee also takes note of the plans to install solar and wind-powered generators and to improve the water supply.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*} Previously issued under the symbol A/AC.109/L.1141.

PITCAIRN a/

1. GENERAL

- 1. Basic information on the Territory is contained in the Special Committee's report to the General Assembly at its thirty-first session. b/ Supplementary information is set out below.
- 2. The population of Pitcairn, which numbered 63 in 1974, was increased in 1975 by two births and the return of six Pitcairners from New Zealand. According to the administering Power, there have been seven deaths since 1973. A 1977 press account gave the population as 62 inhabitants. In recent years, Pitcairners have expressed fear that they might have to leave their island because of the diminishing population.
- 3. In July 1976, Pitcairn was hit by a 24-hour storm with winds up to 130 kilometres an hour, causing damage to banana, mango and orange crops. The roofs of six houses were blown away or damaged. There were no injuries to the inhabitants.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

- 4. No constitutional or political developments were reported during the period under review. Since the accession to independence of Fiji in 1970, responsibility for the Territory has been in the hands of the United Kingdom High Commissioner to New Zealand, designated as Governor of Pitcairn. Pitcairn Islanders manage their internal affairs through as Island Council consisting of 10 members.
- 5. The Internal Committee comprises the elected Chairman and any other members the Island Council may appoint. Its principal function is to organize and implement the works programme.
- 6. The Island Court consists of the Island Magistrate and two councillors. Its jurisdiction is limited to offences under the Island Code and civil actions between residents of the Territory or those which arise in territorial waters. There is provision for appeal to the Supreme Court of Pitcairn which the Governor has the power to constitute and which also has jurisdiction in cases outside the competence of the Island Court.

a/ The present working paper is based on published reports and on information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 2 August 1976 for the year ending 31 December 1975.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XIX, annex, paras. 87-94.

3. ECONOMIC CONDITIONS

- 7. Pitcairn's revenue and expenditure for 1975/76 amounted to \$NZ 203,348 2/ and \$NZ 102,393, respectively (\$NZ 124,335 and \$NZ 75,493 in 1973/74). Revenue included stamp sales, \$NZ 126,849; (\$NZ 92,302 in 1973/74); interest and dividends, \$NZ 67,985; (\$NZ 30,296 in 1973/74); development grants, \$NZ 4,296; and miscellaneous. \$NZ 4,218.
- 8. A mysterious fire destroyed Pitcairn's power generator in June 1976. The 56-kilowatt generator, which operated from 5.30 p.m. to 10.30 p.m. daily, had supplied power to all important appliances on the island. The island still has five private 3-kilowatt generators and a wind generator given to the island in 1975 by the international radio station of the Seventh Day Adventist Church of Glendale (California) in the United States of America.
- 9. The islanders have been forced to seek other sources of energy because of the decline in shipments of oil to Pitcairn in recent years. As petroleum has grown scarce, shipping companies have grown reluctant to make stops at the remote island.
- 10. According to reports, the Territory will soon have the services of a modern, solar electrical generator. Representatives of the Boy Scouts of America, a southern California high school science class, a Jet Propulsion Laboratory engineer in Pasadena (California) and members of the Seventh Day Adventist Church are reported to be working together to provide the generator to the islanders, who are co-operating with the group in their efforts to harvest energy from the sun. The solar plant will use a 10-metre solar dish to focus the sun's rays onto a 38 millimetre boiler tube. The rays will heat the focal point to 815 degrees Centigrade and convert water in the tube to steam, which will then generate electric power. For every 6 1/2 or 7 hours of daily exposure to the sun, the power plant will generate about 30/kW of electricity, which is about the average amount used daily by the entire island population. The cost of the generator is reported to be \$US 2,500.
- 11. In 1975, 48 ships called at Pitcairn (34 in 1974). Supply vessels make scheduled calls at the island once every three months.
- 12. Six British military engineers, including three divers, have begun work on a project to help the Pitcairn Islanders to improve the Territory's only marine landing facility. The team plans to deepen and clear the approach to the jetty, extend the jetty itself, repair and improve the slip way, improve the road from the landing and prepare plans for future work, including the building of two breakwaters.
- 13. The engineers will also draw up plans for a new air strip to provide an air link with Mangareva in the Gambia Islands, which has the nearest airfield. The islanders are actively helping in many aspects of the work.
- 14. Imports, which are mostly for home consumption, consist principally of food-stuffs (cereals, eggs, fats, meats, milk and sugar), machinery, fuel, lubricating oil and building materials. Exports consist of handicrafts, fruit and vegetables, which are sold mainly to passing vessels.

c/ The local currency is the New Zealand dollar (\$NZ). In 1977, \$NZ 1.00 was equivalent to approximately \$US 0.94.

4. SOCIAL CONDITIONS

- 15. There is one co-operative consumer society, established in 1967, with a membership of 35. It is the only retail shop in the Territory. As capital is limited, the stock is confined to basic food-stuffs, kitchenware and toilet requisites. The turnover in 1975 was \$NZ 9,800.
- 16. There is a well-aquipped government clinic run by a registered nurse in co-operation with a church organization. The Government meets the cost of medical supplies and drugs. In 1975, total health expenditure amounted to \$NZ 14.298.

5. EDUCATIONAL CONDITIONS

- 17. In 1975, the school roll comprised six girls and two boys (seven girls and one boy in 1974).
- 18. In 1975/76, expenditure on education was \$NZ 17,304 (\$NZ 13,959 in 1973/74) representing 16.9 per cent of total recurrent expenditure (18.5 per cent in 1973/74).

CHAPTER XVIII

(A/32/23/Add. 4)

TUVALU

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CHAPTER XVIII

TUVALU

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, inter alia, to refer the question of Tuvalu to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1083rd meeting, on 6. July.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By Paragraph 12 of this resolution, the Assembly, inter alia, requested the Special Committee "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular: To formulate specific proposals for the elimination of the remaining manufastations of colonialism and to report thereon to the General Assembly at its thirty-second session", The Special Committee also took into account General Assembly decision 31/406 B of 1 December 1976, whereby the Assembly requested the Special Committee, "in continued co-operation with the administering Power, to seek the best ways and means of implementing the Declaration with respect to the Territory..."
- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the Territory.
- 5. The representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power concerned, participated in the work of the Special ommittee during its consideration of the item.
- 6. At its 1083rd meeting, on 6 July, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1083) introduced the report of the Sub-Committee (A/AC.109/L.1173), containing an account of its consideration of the Territory.
- 7. At the same meeting, the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and endorsed the conclusions and recommendations contained therein (see para. 9 below).
- 8. On 8 July, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

- 9. The text of the conclusions and recommendations adopted by the Special Committee at its 1083rd meeting, on 6 July 1977, to which reference is made in paragraph 7 above, is reproduced below:
 - (1) The Special Committee reaffirms the inclienable right of the people of Tuvalu to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.
 - (2) Fully aware of the special circumstances of Tuvalu, owing to such factors as its size, geographical location, population and limited natural resources, the Special Committee reiterates the view that these circumstances should in no way delay the speedy implementation of the process of self-determination in conformity with the Declaration contained in resolution 1514 (XV), which fully applies to the Teritory.
 - (3) The Special Committee reiterates its expression of appreciation to the Government of the United Kingdom of Great Britain and Northern Ireland, which has enabled the Committee to conduct a more informed and meaningful examination of conditions in Tuvalu, with a view to accelerating the process of decolonization towards the full and speedy implementation of the Declaration, by increasing the level of its co-operation with the Committee by actively participating in the Committee's consideration of the Territory and by having invited a United Nations mission to visit the Territory in 1974. 1/
 - (4) The Special Committee welcomes the fact that independence, following a general election, will be achieved in the course of 1978. In pursuit of this objective, a local constitutional committee was set up which, in consultation with the people of Tuvalu and after discussion of the full range of constitutional options open to the Territory, has recommended independence for the Territory.
 - (5) The Special Committee welcomes the establishment in the Territory of positive patterns of consultations and a programme of political education which have informed the decision of the Tuvaluans in favour of independence.
 - (6) The Special Committee notes with satisfaction the rapid establishment in Tuvalu of a new public service, composed almost entirely of Tuvaluans. In this connexion, the Committee considers that appropriate training and guidance may continue to be necessary in order further to promote the effectiveness of the new service.

^{1/} For an account of the Visiting Mission, see Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 23 (A/9623/Rev.1), vol. V, chap. XXI, annex I.

- (7) The Special Committee reiterates is expression of concern over the fragility of the economy of the Territory. It notes, however, that, during the year under review, prospects for economic development seemed brighter. If the feasibility studies being undertaken in several areas prove positive, the establishment of small industries, projects for import substitution, the introduction of new crops and the development of a major fishing industry could do much to assist the Teritory in increasing revenue and expanding employment opportunities.
- (8) The Special Committee welcomes the willingness of the administering Power to continue to give assistance to Tuvalu following the attainment of independence and notes with satisfaction the development assistance being provided to Tuvalu by other Governments.
- (9) The Special Committee calls on the specialized agencies and other organizations within the United Nations system, as well as regional bodies, including the Asian Development Bank, to pay special attention to the development needs of Tuvalu. In this connexion, the Special Committee urges the Governing Council of the United Nations Development Programme to assign an appropriate indicative planning figure to Tuvalu from resources allocated for newly independent countries.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*}Previously issued under the symbol A/AC.109/L.1152.

TUVALU a/

1. GENERAL

- 1. Basic information on Tuvalu is contained in the report of the Special Committee to the General Assembly at its thirty-first session. b/ Supplementary information is set out below.
- 2. Tuvalu, formerly known as the Ellice Islands, assumed its own identity when it was legally separated from the Gilbert Islands on 1 October 1975 (see A/C.4/786). The action was taken in accordance with the wishes of the people of the Territory as expressed in a referendum in 1974 and observed in part by a United Nations visiting mission. c/
- 3. The nine islands of the Central Pacific group, lying just south of the Equator, are estimated to have a land surface of approximately 25.9 square kilometres. Their population numbers some 7,000.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS.

4. On 1 January 1976, the people of Tuvalu formally assumed control over their own administration with headquarters at Funafuti and prepared to move towards independence. Independence is envisaged towards the end of 1978, to be preceded by general elections, probably late in 1977. The Tuvalu Order, 1975, of 17 September, establishes the islands as a separate Territory and provides a Constitution for it. The Territory has a ministerial form of government. The Cabinet consists of an elected Chief Minister assisted by two appointed ministers and two ex officio members, the Attorney General and the Financial Secretary. The Order also established a House of Assembly and a High Court. The officer administering government is known as Her Majesty's Commissioner.

a/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 7 September 1976 for the year ending 31 December 1975. Statistical data provided by the administering Power for 1975 refer mainly to the Territory of the Gilbert and Ellice Islands and have been incorporated in the working paper on the Gilbert Islands (see chap.XIX of the present report, annex I, paras. 23-72 passiu pp.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XIX, annex, paras.95-120.

c/ Ibid., Twenty-ninth Session, Supplement No. 23 (A/9623/Rev.1), vol. V, chap. XXI, annexes I and III.

- 5. The Commissioner is directly responsible to the Government of the United Kingdom for the conduct of external affairs, defence, internal security (including the police force), finance and the public service. If the Commissioner is obliged to consult the Cabinet, he acts in accordance with its advice except in those cases where he does not consider it appropriate to do so. Should he act against the Cabinet's advice, he reports the matter, except in certain financial or economic cases, to the United Kingdom Secretary of State for Foreign and Commonwealth Affairs with the reasons for his action.
- 6. The Commissioner presides over the Cabinet; in his absence, the Chief Minister is the presiding officer.
- 7. The House of Assembly consists of eight members representing the nine islands of the Territory, \underline{d} the Attorney General and the Financial Secretary. A person is qualified to be elected if he or she is a British subject or a British protected person and has attained the age of 21 years.
- 8. At the opening meeting of the first session of the Tuvalu House of Assembly, on 28 October 1975, T.H. Layng, the Commissioner, stated that separation had, in the legal sense, been achieved. Administratively, Tuvalu would run its own affairs as from 1 January 1976. The reason for implementing separation in two stages was to allow the House to debate the Tuvalu budget required to set up the new Territory on 1 January and for the Gilbert Islands to debate its own affairs without the participation of others who would not be affected.

3. ECONOMIC CONDITIONS

A. Public finance

- 9. In the same statement, the Commissioner said that, for 1976, Tuvalu had requested a grant-in-aid from the administering Power of \$A 840,000, e/ of which some \$A 400,000 was for the furniture, stores, working capital etc., required to establish the new capital at Funafuti. Thus, a real recurrent grant-in-aid was \$A 440,000. He proposed that the first national aim should be to reduce that figure annually by a minimum of \$A 400,000, using local resources, in order to balance the budget. If that were achieved, economic independence could be attained by 1980. Political independence meant very little, he said, without economic independence.
- 10. During 1975, the planning unit of the Commissioner's office, with the agreement of the Separation Committee, had set in motion schemes to raise additional revenue by the minting of coins for Tuvalu and by concentrating on

d/ The small island of Niulakita is part of Niutao's constituency.

e' The local currency is the Australian dollar (\$A). At 14 April 1977, \$A 1.00 was equivalent to approximately \$US 1.11.

the sale of stamps to collectors. It was anticipated that these measures would be worth an additional \$A 250,000 in revenue in 1976.

11. Since it was unlikely that such sources of revenue would be capable of significant increases in future years, the Government of Tuvalu had three possibilities to propose, namely: (a) consultants from three separate organizations should be approached to prepare programmes for firmeries development aimed directly at the production of revenue; (b) a national campaign to increase the production of copra from 550 metric tons (in 1974) to a possible 5,000 metric tons which amould result in substantial extra revenue; and (c) a search should be made for new crops and for small industries which could provide employment opportunities and import substitutions.

B. Transport and communications

- 12. In early 1977, it was reported that the territorial Government had reached an agreement with Fiji Air, Ltd., for a fortnightly service between Fiji and Funafuti. Under the agreement, Fiji Air is to operate on alternate Sundays in the same week as Air Pacific's service so that visitors to Funafuti can enjoy a three-day stay in Tuvalu. In addition, arrangements have been made with Fiji Air to operate regular additional services on a guaranteed revenue/profit-sharing basis.
- 13. Shipping links with Fiji are maintained by the Nauru Pacific Lines vessel, MV Cenpac Rounder, and by vessels charted by the Government's building contractor. With occasional calls from the Gilbert Islands, this provides the Territory with a shipping service from Suva to Funafuti about once every two to three weeks.

4. SOCIAL AND EDUCATIONAL CONDITIONS

- 14. There are more Tuvaluans in full-time, wage-earning employment abroad than there are in the Territory. Remittances from overseas are a major factor in the economy, bringing in some \$A 100,000 per annum. On the basis of a recent manpower survey, it is estimated that there are about 600 wage-earners inside the country.
- 15. A consequence of the separation of Tuvalu from the Gilbert Islands was that the small school at Motofua had to be upgraded to provide secondary educational facilities for the Tuvaluans. Since 1974, almost \$A 1.0 million has been expended by the United Kingdom Government on the physical expansion of the school. Early in 1976, six teachers from the United Kingdom arrived to join the staff of the school.

CHAPTER XIX

(A/32/23/Add. 4)

GILBERT ISLANDS

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CHAPTER XIX

GILBERT ISLANDS

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, inter alia to refer the question of the Gilbert Islands to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the Territory at its 1088th and 1089th meetings, on 3 and 4 August.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly requested the Special Committee, inter alia:
 - "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:
 - (a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly resolution 31/47 of 1 December 1976, by paragraph 5 of which the Assembly requested the Committee, inter alia:

- "To continue to seek the best ways and means for the implementation of the Declaration with respect to the Gilbert Islands, including the possible dispatch of a further visiting mission in consultation with the administering Power ...".
- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on developments concerning the Territory. The Special Committee also had before it two letters addressed to the Chairman dated 10 May and 6 June 1977, respectively, from the Permanent Representative of Fiji to the United Nations and from the Permanent Representative to the United Kingdom of Great Britain and Northern Ireland to the United Nations (see annexes II and III to the present chapter).

- 5. The representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power concerned, participated in the work of the Committee during its consideration of the item.
- 6. At its 1088th meeting, on 3 August, the Rapporteur of the Sub-Committe on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1083 and A/AC,109/PV.1078-1107), introduced the report of the Sub-Committee (A/AC.109/L.1186), containing an account of its consideration of the Territory.
- 7. At its 1089th meeting, on 4 August, the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and endorsed the conclusions and recommendations contained therein (see para. 9 below). At the same meeting, the representative of Fiji made a statement (A/AC.109/PV.1089).
- 8. On 4 August, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United Kingdom of Great Britain and Northern Izeland to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

- 9. The text of the conclusions and recommendations concerning the Gilbert Islands adopted by the Special Committee at its 1089th meeting, on 4 August 1977, to which reference is made in paragraph 7 above, is reproduced below:
 - (1) The Special Committee reaffirms the inalienable right of the people of the Gilbert Islands to self-determination and independence in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.
 - (2) Fully aware of the special circumstances of the Gilbert Islands, owing to such factors as their size, geographical location, population and limited resources, the Special Committee reiterates the view that these circumstances should in no way delay the speedy implementation of the process of self-determination in conformity with the Declaration contained in resolution 1514 (XV), which fully applies to the Territory.
 - (3) The Special Committee reiterates its expression of appreciation to the Government of the United Kingdom of Great Britain and Northern Ireland for enabling the Committee to conduct a more informed and more meaningful examination of conditions in the Gilbert Islands, with a view to accelerating the process of decolonization towards the full and speedy implementation of the Declaration, by increasing the level of its co-operation with the Committee, including its willingness to receive visiting missions in the Territories under its administration, on which aspect the administering Power is invited to report.

- (4) The Special Committee notes with satisfaction that the Gilbert Islands attained full internal self-government on 1 January 1977, to be followed by a general election and a constitutional conference prior to independence. Once again, the Committee notes that a programme of political education has been arranged in the Gilbert Islands to indicate the constitutional options open to the Territory. The Committee commends the consultative process in the Gilbert Islands whereby recommendations relating to an independence constitution were considered by a Constitutional Convention during April and May 1977.
- (5) The Special Committee notes that a constitutional conference will be held in 1978 to prepare for independence for the Territory and welcomes the fact that representatives of the Banaban community will be invited to the conference. The Committee expresses the hope that the constitutional conference will lead to independence for the Gilbert Islands in 1978, in accordance with the Declaration on the Granting of Independence to Colonial Countries and Peoples, and that the constitution to be agreed upon will respect the special rights and interests of the Banaban community.
- (6) The Special Committee notes that the Gilbert Islands public service is being progressively "localized". In view of the Committee, this is a positive step towards enabling the Gilbertese to acquire the necessary qualifications and experience to assume control of their own administration in the near future.
- (7) Bearing in mind that the phosphate resources of the Territory will be exhausted in two to three years, the Special Committee remains concerned about the need to diversify the economy of the Territory. In this connexion, the Committee welcomes the willingness of the administering Power to continue its economic assistance to the Territory following the attainment of independence, and notes with satisfaction the assistance being provided by other Governments. It also welcomes the programmes of assistance being carried out by the specialized agencies and other organizations within the United Nations system, including the United Nations Development Programme, and by regional organizations, including the Asian Development Bank, and expresses the hope that such assistance will continue after independence.
- (8) The Special Committee takes note of the approaches made to Japan for assistance in establishing a commercial fishing industry in the Territory, and the efforts being made in this area by both the United Nations Development Programme and the Government of the United Kingdom. The Committee expresses the hope that efforts will continue to be made towards establishing a viable commercial fishing industry and developing domestic food production and livestock.
- (9) The Special Committee notes the recent decision by the partner Governments of the board of the British Phosphate Commissioners to make an ex gratia payment of \$A 10 million, drawn from funds held by the board on behalf of the partner Governments, to establish a fund to assist the Banaban community to secure their economic future.

ANNEX 1*

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*}Previously issued under the symbol A/AC.109/L.1153.

GILBERT ISLANDS a/ '

1. GENERAL

- 1. Rasic information on the Gilbert Islands is contained in the report of the Special Committee to the General Assembly at its thirty-first session. \underline{b} / Supplementary information is set out below.
- 2. The Gilbert Islands, reconstituted as a Territory in 1975 following the separation of the former Territory of the Gilbert and Ellice Islands into the Gilbert Islands and Tuvalu, is comprised of the Gilbert Islands, Ocean Island, the Phoenix Islands and the Line Islands. There are in all 33 islands which stretch across the central Pacific Ocean, just north of the Equator. It is estimated that the Territory has a land area of 684 square kilometree and a population of 52,000.

2. CONSTITUTIONAL AND PULITICAL DEVELOPMENTS

A. General

3. The Gilbert Islands Order, 1975, of 17 September 1975, which came into force on 1 October 1975, establishes the Territory of, and provides a constitution for the Gilbert Islands. Essentially, it follows the Gilbert and Ellice Islands Order, 1974 c/ which came into force in March of that year. As stated in previous reports, the 1974 Constitution provided for a Governor, as Head of State with responsibility for defence, internal security and external affairs, a Deputy Governor and a Council of Ministers. The Council numbered at least four, but not more than six, members appointed by the Governor on the idvice of the Chief Minister, from among the elected members of the House of Assembly, and included the Deputy Governor, the Attorney General and the Financial Secretary as ex officio members.

a/ The information contained in the present paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Iraland under Article 73 e of the Charter of the United Nations on 7 September 1976 and 28 February 1977 for the year ending 31 December 1975.

b/ Official Records of the General Assembly, Thirty-first Session,
Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XIX, annex, paras. 1-86.

c/ Ibid., Twenty-ninth Session, Supplement No. 23 (A/9623/Rev.1), vol. V, chap. XXI, annex 1, appendix XIII.

- 4. The Gilbert Islands achieved full internal self-government in two stages (1 November 1976 and 1 January 1977). The transition has been reported as comparatively smooth, the only major problem being the fear of the landowners of Ocean Island concerning their future (see paras. 14-22 below).
- 5. Under the new Constitution, the Governor remains as Head of State and retains responsibility for defence, internal security and external affairs. Under the first stage of internal self-government, the post of Deputy Governor was eliminated and the Minister of Finance replaced the expatriate Financial Secretary. The Attorney-General is now the only expatriate in the Council of Ministers. The Governor, who had presided over the Council of Ministers, no longer attends the meetings. The present House of Assembly consists of 21 elected members and the Attorney-General. There is also an appointed Gilbertese Speaker of the House. The present House must be dissolved not later than 13 May 1978.
- 6. The separation of the Ellice Islands from the Territory provided an opportunity for a cabinet reshuffle within the Gilbert Islands and a reassignment of ministerial responsibilities. The former Ministry of Natural Resources gave way to a Ministry of Local Government and Rural Development, which has responsibility for land and agriculture, and fisheries became the responsibility of the Ministry of Commerce and Industry. According to the ad inistering Power, the much-needed emphasis on local government provided by the new Ministry of Local Government and Rural Development has become evident in the build-up of three of the six district centres: Northern, Central and Southern (see _ara. 8 below).
- 7. On 1 January 1977, the Public Service Advisory Board was replaced by a Public Service Commission. The Commission is made up of five members. Reuben K. Uatioa, former leader of Government Business and Speaker of the House, was appointed Chairman. The Commission will deal with appointments, promotions and discipline of civil servants and will have greater authority over a wider range of posts than the former Public Service Board.

B. Local government

- 8. As a result of the separation of the Ellice Islands from the Gilbert Islands, the Territory was left with six districts to administer: the Northern, the Central and the Southern Gilberts, the Line Islands, Ocean Island and the urban district of South Tarawa. Each is in the charge of a district officer, who is directly responsible to the Office of the Chief Minister in Bairiki, on Tarawa. Although the population of the Gilbert Islands is small, the islands cover a vast area of the Pacific Ocean and this tends to make distances and isolation, rather than population, the major Cactor in administrative organization.
- 9. Island councils were established on all 16 islands of the Gilbert group under the Local Government Ordinance, 1966, which came into force on 28 March 1967. The island councils have power, subject to the approval of the Governor-in-Council, to make by-laws concerning a wide range of subjects, and are charged specifically with the duty of providing services for the

general health, security and well-being of the inhabitants of the islands. Each council prepares annually its estimates of revenue and expenditure which are submitted to the Minister for Local Government and Rural Development for approval. Council revenue derives from basic rates, licence fees, land tax, grants from the central Government, special levies and sundry minor accounts. Loans may be made to councils towards the cost of particular projects. Turing the year under review, development plans concerning agriculture, fisheries, manufacturing and service industries, transport, public utilities, education and local Government were prepared for implementation during the years 1976-1980.

C. Political education

10. Early in 1976, the Governor invited a professor of public administration at the University of the South Pacific in Fiji to conduct a seminar on the constitutional options open to the Gilbert Islands on becoming independent. A number of semior civil servants, employees of the Gilbert Islands Development Authority (GIDA) (see paras. 41-43 below), businessmen an church leaders were invited to take part in the meetings, and to share the understanding gained from them, with those unable to attend. As working models, the constitutions of Jamaica, Nauru, the United States of America and Zambia were studied. The purpose of the seminar was to enhance the political awareness of the people and help educate them concerning the implications of independence.

D. Future status of the Territory

- 11. Constitutional talks on internal self-government were held at London on 14 and 15 July 1976, under the chairmanship of Lord Goronwy-Roberts, the United Kingdom Minister of State for Foreign and Commonwelath Affairs. The Gilbert Islands delegation was headed by the Chief Minister and included the Governor.
- 12. Independence is expected to follow full internal self-government during 1978. The islands are to stay within the British Commonwealth and are to seek to maintain links with the European Economic Community (EEC).
- 13. On 11 November 1976, it was reported that the laws of the Territory would undergo a third revision, in order to consolidate amendments to ordinances, include new laws, delete the laws subject to change and simplify the wording of laws without changing their meaning. It was hoped that this third revision (the first revision was made in 1952 and the second in 1973) would be completed and printed by mid-1977. Also included in the new reforms was a government decision that a Chief Justice would be appointed to the High Court of the Gilbert Islands. Recruitment began initially from among candidates in the United Kingdom. The Judge of the High Court is at present the Chief Justice of the High Court of the Solomon Islands.

E. Ocean Island (Banaba)

- 14. In 1976, it was reported that provision had been made for the constitutional protection of the rights of Banabans as landowners on Ocean Island (see also paras. 36-37 below). Those rights had earlier been embodied in a document referred to as the 1947 Statement of Intentions and were incorporated in the new Constitution in accordance with earlier commitments to the Banabans.
- 15. In this connexion, it will be recalled d/ that the Banabans, believing that they should have received a higher level of revenue from the phosphate proceeds in the period up to 1966, had instituted two major legal actions in the High Court in London. In the first action, the Banabans sued the British Phosphate Commissioners (BPC), the group which controls production and export of phosphates from Ocean Island, for, inter alia, failing to replant some 100 hectares of worked-out land on Ocean Island. They also sued the Crown for the alleged failure of the Resident Commissioner to prescribe the type of trees or shrubs to be planted on worked-out mining land. In the second action, the Banabans claimed that all phosphate taxation monies levide by the territorial Government on the operations of BPC on Ocean Island were held by the Crown in trust for the Banabans and that the Crown was in breach of trust in not paying the money to the Banabans and in not obtaining, prior to 1966, the best price for the phosphates.
- 16. The hearings of the two legal actions were concluded in August 1976 after a period of 221 working days, including a 15-day on-the-spot investigation by Sir Reginald Megarry, the judge before whom the actions were heard in the High Court. The judge found a liability on the part of BPC to replant some, but not all, of the lands which were the subject of the claims; he did not rule on the amount of the damages, on which he said he would wish to hear further argument if it could not be settled out of court. He discussed the claim against the Crown in respect of prescription of type of trees or shrubs to be replanted.
- 17. Sir Reginald also dismissed all claims against the Crown in the second action, ruling that the Crown's obligations were governmental in nature (and he expressed the view that there had been some breaches of these) and not fiduciary obligations justiciable in the courts.
- 18. Subsequently, the United Kingdom Government decided to send Richard N. Posnett, former Governor of Belize, as a special envoy to the Territo: in February and March 1977 to assist in arriving at a settlement with the Banabans. Lord Goronwy-Roberts stated that the British aim was to achieve a settlement as soon as possible which would take into account the legitimate interests of all parties, including the Banabans.
- 19. In the meantime, the Anti-Slavery Society, with headquarters at London, called on the United Nations Human Rights Commission, in February, to take up

d/ Ibid., Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XIX, annex, paras. 31-46.

the case of the former inhabitants of Ocean Island. Colonel Patrick Montgomery, the Society's secretary, said that Ocean Island, once covered with coconut and almond trees, would be gutted within two years and turned into "a sterile moonscape of jagged coral pinnacles . . . A small defenceless people has been deprived by three rich nations of its single wasting asset".

- 20. Following Mr. Posnett's visit, the Reverend Tebuke Rotan, the Banaban leader, asked "what facts Mr. Posnett would gather which had not already been placed on record during the long struggle of the Banabans to get justice ... Mr. Posnett is a former colonial Governor. He has been, and still is, a servant of the British Government. How then can he be expected to look with an impartial, unbiased eye, at the issues involved"? He added that Britain should have entrusted the gathering of facts to the United Nations.
- 21. Mr. Posnett's report is now being studied by the United Kingdom Government.
- 22. In a statement to the United Kingdom House of Commons on 13 January, the Secretary of State for Foreign and Commonwealth Affairs stated that phosphate revenues paid to the Banaban community up to mid-1976 had totalled some \$A 12.0 million e/ and, at current phosphate prices, it was estimated that they would receive a further \$A 10.0 million before mining ceased.

F. Public service

- 23. At the end of 1975, there were 1,048 permanent civil servants in full-time government employment (including 289 Ellice Islanders), most of whom were under contract. The Central Government also employed 383 persons in unestablished posts.
- 24. In the same year, the Gilbert and Ellice Islands Development Authority (GEIDA) (see paras. 41-43 below) employed 1,248 Gilbertese, 74 Ellice Islanders and 21 expatriates.

3. ECONOMIC CONDITIONS

A. General

25. The orly economic crop in the Territory is the coconut, from which copra is produced. Practically all the land is owned by the villagers and copra production is therefore in their hands, but, owing to the unscientific methods of land utilization employed, the yield tends to be low. The yield is higher on the commercial plantations on Fanning and Washington islands and

e/ The local currency is the Australian dollar (\$A). At 14 April 1977, \$A 1.00 was equivalent to approximately \$US 1.11.

on the government plantation on Christman Island. The only other commercial export is phosphate rock, which is obtained by opencast mining on Ocean Island.

26. In June 1976, a team of officials of the Australian Government visited Tarawa to hold discussions with the Gilbert Islands Government and to examine individual projects for which the Australian Government might consider providing assistance over a three-year period. In the past, it has provided the Territory with training and scholarships, as well as heavy equipment, such as earthmovers and rock-crushers. The Australian Government has also provided assistance, in co-operation with the United Kingdom, on the South Tarawa water project and the installation of water pipes in Betio.

B. Public finance

- 27. Since 1970, assistance from the administering Power has been provided in the form of development aid funds. Development projects have also been financed by specialized agencies of the United Nations, the Australian South Pacific Aid Programme and the New Zealand Aid Programme.
- 28. In 1975, ordinary revenue in the Gilbert and Ellice Islands amounted to \$A 26.4 million and capital revenue to \$A 2.8 million, a total of \$A 29.2 million (\$A 13.2 million in 1974). This included \$A 22.8 million from phosphate taxes (\$A 10.6 million in 1974).
- 29. Recurrent expenditure in 1975 amounted to \$A 30.4 million and capital expenditure to \$A 2.7 million, a total of \$A 33.1 million (\$A 14.9 million in 1974).
- 30. The Revenue Equalization Reserve Fund was instituted in 1956 to provide capital, with accumulating interest, against the exhaustion of the phosphate deposits on Ocean Island. The interest was used to balance the budget of the Gilbert and Ellice Islands when necessary. The market saids of the fund at 31 December 1975 was \$A 32.8 million (\$A 11.9 million in 1974).
- 31. As a result of the substantial increase in world phosphate prices, the value of exports continued to show an improvement and, in 1975, increased by 13.8 per cent over 1974. The rise in phosphate earnings more than offset the marked decrease in copra earnings. The combined total value of exports in 1975 was \$A 27.3 million (\$A 22.6 million in 1974), of which phosphates accounted for \$A 26.0 million; copra, \$A 950,456; and the sale of handicrafts, \$A 37,517.
- 32. Total import figures for 1975 amounted to \$A 9.3 million, giving a favourable trade balance of \$A 18.0 million in 1975. Although the world price for phosphate resulted in increased revenue for the Territory, there is, according to the annual report of the administering Power, little room for complacency. As a result of a cut-back in extraction initiated at the end of 1975 (see para. 34 below), the operational life-expectancy of the Ocean Island phosphate industry has been increased from 1978 to 1989.

C. Mining

- 33. The only mining carried on in the Territory is on Ocean Island, where phosphate of lime is extracted by BPC. Ocean Island is owned by the Banabaus who, at the end of the Second World War, with royalties received from BPC, bought Rabi, an island of Fiji, and moved there en bloc. The Banabaus continue to receive rent and royalties from their lands.
- 34. The Ocean Island phosphate industry accounted for 95 per cent of the total value of exports in 1975. Total production was 520,310 metric tons, (529,946 metric tons in 1974). At the end of 1975, however, it was decided to reduce the extraction rate to 450,000 metric tons a year. In the light of the present world glut of phosphate and the desire of the producing nations to maintain the present high price, the reduced extraction rate should cause a drastic drop in phosphate revenue.
- 35. Between 17 and 19 June 1976, talks were reported to have been held on Tarawa on various matters relating to the phosphate industry on Ocean Island. The talks, under the chairmanship of the Governor, were attended by representatives of the three partner Governments in BPC (Australia, New Zealand and the United Kingdom of Great Britain and Northern Ireland), the Gilbert Islands Government, the Banaban landowners and the management of BPC. The talks were the result of a motion in the House of Assembly by the member for Betio and Ocean Island in August 1974, in which it was requested that the agreement between BPC, the Government and the Banabans should be urgently reviewed to ensure that the Gilbert Islands and the Banaban landowners received a higher share of the income from the mining of phosphate on Ocean Island.
- 36. The meeting led to what is now known as the Tarawa Agreed Minute, which was ratified by the three partner Governments and BPC. The reservations of the Banabans are recorded in the Minute.
- 37. The principal points of agreement are as follows:
- (a) For the remaining life of the phosphate industry on Ocean Island, extraction would be at the rate of 450,000 metric tons a year, an amount considered to be the best rate, taking account of both economic and social circumstances;
- (b) The partner Governments agreed to waive certain interest charges which form part of the production costs on Ocean Island, thereby permitting both the Gilbert Islands Government and the Banaban landowners to receive a larger share of the phosphate income;
- (c) The Gilbert Islands would have a greater say in the operation of the Ocean Island industry in a way to be determined in consultation with BPC;
- (d) Although there were anomalies existing in the taxation arrangements for BPC and its employees on Ocean Island, the limited life of the industry and the difficulties in making alternative arrangements within the time remaining made it preferable to continue with the present system.

D. Agriculture

- 38. Coconuts are the only commercial corp grown in the Territory and, apart from the three plantations referred to in paragraph 25 above, practically all land is owned by islanders in small peasant proprietorships. The palms are mainly grown in irregularly spaced groves, frequently with intervening bush. The latter has some importance in the subsistence economy because various trees are required for building, canoe construction and food.
- 39. Copra production and export statistics for the Gilbert and Ellice Islands are set out below:

In metric tons

	Peasant landowners	<u>Plantations</u>	Total produced	Total exports
1974	9,320	3,152	12,472	11,657
1975	2,428	1,848	4,276	5,581

40. Two hundred and one hectares of coconuts were replanted in 1975 with a further 383 hectares of land cleared and prepared for planting with seedlings. Progress under the coconut subsidy schemes is given below:

	Improvemen	nt schemes	New planting schemes	
•	<u> 1974</u>	<u> 1975</u>	1974	1975
Hectares registered	1,433	1,433	930	1,495
Hectares completed	1,381	1,381	406	607

E. Gilbert Islands Development Authority (GIDA)

- 41. The Gilbert and Eilice Islands Development Authority (GEIDA) was established in 1970 to foster the economic development of the Territory and to improve the social and economic conditions of the inhabitants. It began operations on 1 January 1972. With the separation of the Ellice Islands from the Territory, GEIDA was renamed the Gilbert Islands Development Authority (GIDA).
- 42. Following a board meeting in February 1976 to complete its 1976 budget, GIDA sought funds to begin work on new projects, including the Bonriki air terminal building, the second phase of the outer islands airfield construction, a new office complex on Bairiki, additional hospital construction and new police buildings at various centres. During 1976, the boatyard owned by GIDA continued the construction of work boats for the MV Moanaravi and two

- additional barges. The development division of GİDA investigated projects for the manufacture of products derived from ocean resources.
- 43. The members of the Commission of Inquiry into the affairs of GIDA beg in their work in January 1976 f/ and submitted their report to the House of assembly on 26 August. The Minister of Commerce and Industry, who introduced the report, stated that the Government welcomed the opportunity provided by the Commission to take a fresh look at GIDA which had been in operation for nearly five years. The Government endorsed the findings of the Commission and affirmed its continued confidence in the Authority and its management.

F. Fisheries

- 44. For several years a number of unsuccessful attempts have been made to develop a commercial fishing industry as one source of income to replace the revenues now being generated by the phosphate exports.
- 45. The introduction of a 200-mile economic zone would give the Gilbert Islands control of substantial marine resources. However, the annual report of the administering Power states that, in order to develop those resources, the Territory would need assistance and the Japanese, who have already fished extensively in the Pacific Ocean, appear to be best fitted to provide that assistance.
- 46. During the period under review, the Government reported on its latest efforts to overcome the difficulties of establishing such an industry. Following a visit by the Chief Minister to Tokyo in August, 1975, the Japanese Government agreed to send a survey team to the Territory. Subsequently, late in 1976, a six-man team of experts, together with three officials of the Japanese Government, visited Tarawa to verify whether the Territory had the infrastructure to support a fishing industry, as well as to examine the economic position of the Gilbert Islands, the harbour facilities and the bait resources. The Government of Japan is also considering providing the Territory with experts to assist it in establishing its own industry and to provide training in modern deep-sea fishing techniques. The report of the survey team is expected to determine Japan's future involvement in setting up a fishing industry in the Territory, although the Japanese Government is reported to have made it clear that economic aid would not be available until the Gilbert Islands achieved independence. The territorial Government is also considering the feasibility of entering into a partnership venture with a Japanese company.

f/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XIX, annex, para. 56.

G. United Nations aid

- 47. In January 1977, a tuna and bait-fish resource evaluation project for the Gilbert Islands to be executed by the Food and Agriculture Organization of the United Nations (FAO) was approved by the Governing Council of the United Nations Development Programme (UNDP). The long-range objectives of the project are to provide the economic strength required for the Territory's attainment of self-reliance through the development of fisheries to replace the phosphate mining industry, and to improve the ability of the territorial Fisheries Division to meet development goals. The immediate objectives are: (a) to assist in developing programmes which will quickly establish the extent of exploitable bait-fish and tuna resources and will provide the information necessary to stimulate their exploitation at an early date; (b) to train local personnel in basic operational skills: (c) to assist the Government in selecting the development strategy which will best provide the maximum, long-term economic return to the country; and (d) to secure, in negotiating with appropriate parties or agencies, the required capital and/or technical skills.
- 48. UNDP will provide the services of a marine fisheries biologist (project manager) and a master fisherman, three fellowships and fishing and pond-culture equipment. Two associate experts (an aquaculturist and a fisheries biologist) will also be assigned to the project. Under the sponsorship of the Government of the United Kingdom, a team of consultants (a fisheries management expert, a fisheries economist and a tuna industry negotiator) will also be made available for work on the project. The total contribution of UNDP is estimated at \$US 380,000; and that of the Government of the Gilbert Islands at \$US 998,000 (in kind).
- 49. In 1976, a two-man team from the Economic and Social Commission for Asia and the Pacific (ESCAP) conducted a survey on trade promotion and product development in the Gilbert Islands. The two experts studied the possibility of training local inhabitants in that field and gathered the necessary information which would be useful for a curriculum. It was envisaged that training would be given in the form of a one-week seminar, to be held on Tarawa early in 1977. Alternatively, selected personnel would be invited to study outside the Territory.

H. Transport and communications

- 50. The main means of communication among the various islands of the Territory is provided by ships owned by the territorial Government and GIDA. All of the vessels are managed by GIDA and are operated on a commercial basis.
- 51. A team from the Asian Development Bank (ADB) arrived on Tarawa on 9 January 1977 to study the Gilbert Islands interisland shipping system. The study was carried out at the request of the Gilbert Islands Government in order to identify the countrys' future shipping requirements and make recommendations concerning fleet size, structure and the need for further vessels.

- 52. In January 1976, an agreement was reached with Mercer Airlines of America, a commercial operator in the United States, to operate an air service between Honolulu, Christmas Island and Tarawa. The service, which began in April, provides for a weekly flight to Christmas Island and a fortnightly flight to Tarawa. The flights had been approved by GIDA in December 1975. In August, the week-end flights of Air Pacific, which operates between Fiji and Tarawa, were disrupted for two weeks as a result of industrial action by aircraft workers in Fiji. Tarawa is also served by Air Nauru twice a week and Pacific American once each fortnight.
- 53. In December 1976, the Chief Minister stated that two additional airfields had been completed during the year and that the internal air service had been expanded by the purchase of an additional Trislander aircraft. Eight of the Gilbert Islands now have airfields, resulting in closer links among the inhibitants of the various islands.
- 54. In November 1976, the Columbus Line of the Federal Republic of Germany dropped Tarawa from its Australia-New Zealand-United States freight service. The service, which was begun in 1965 and was converted to container transport in 1973, had represented the Territory's rajor freight link with the outside world. Tarawa is now served by the Daiwa-Oceania consortium, using the Palau, a vessel of about 6,000 metric tons, capable of carrying about 300 containers. The Daiwa Line is a Japanese-owned company. Following the announcement of the discontinuance of the service, by Columbus, a Gilbert Islands delegation flew to Sydney for discussions with Columbus and Tradex Transport (Pty.), Ltd., the Australian agents of Daiwa.
- 55. The main grounds for concern were the following:
- (a) In 1975, the Columbus Line made 17 calls at Tarawa. Under the new proposals, the <u>Palau</u> would make only 9 or 10 calls a year, which would create commercial problems, such as the need to carry a larger volume of cargo and the raising of additional finance to cover these;
- (b) Although the Columbus Line had used three ships, the Daiwa Line planned to use only one. Any serious mechanical breakdown or other mishap by the <u>Palau</u> could have serious economic effects on the Te citory.
- (c) The Daiwa Line would no longer call at New Zealand, ending all direct sea communication between the Gilbert Islands and that country. As a result, there would be a substantial increase in freight costs, since all freight between the two countries would have to be trans-shipped. Consequently, the Gilbert Islands-New Zealand trade, which had enabled the Territory to receive considerable quantities of New Zealand fresh meat and groceries, would suffer greatly.

4. SOCIAL CONDITIONS

A. Co-operative societies

- 56. In 1975, the co-operative movement continued to provide the basis for most of the economic activity in the Territory. On the outer islands, co-operative societies acted as sole buying agents for the Copra Board (see below), and were practically the only suppliers of consumer goods. In 1975, the sales of the Co-operative Federation, Ltd., which has the vital task of importing and distributing most of the Territory's supplies of food and other consumer goods, increased by 21 per cent, from \$A 4.43 million to £4.37 (\$A 5.36) g/ million. Available capital increased by 20 per cent and for the first time exceeded \$A 1.0 million.
- 57. Also in 1975, the Copra Co-operative Society was registered, and the Copra Board was disbanded. The Co-operative Wholesale Society and the Copra Society were also registered during the year in anticipation of the separation of the Ellice Islands from the Territory.

B. Labour

- 58. In 1975, on the basis of a census conducted in 1973, it was estimated that the total number of persons in paid employment was 5,786. At the end of 1975, a total of 1,150 Gilbertese and Ellice Islanders were employed in the phosphate industry (1,350 in 1974). BPC employed 324 Gilbertese, 155 Ellice Islanders, 23 Chinese and 15 Banabans. An additional 586 Gilberte e and 248 Ellice Islanders were employed by the Nauru Phosphate Corporation and the Nauru Local Government Council during 1975. In 1975, the monthly wages of Gilbertese and Ellice Islander employees of BPC ranged from \$A 52.97 (with rations) for unskilled labourers to \$A 325.64 (without rations) for staff grades.
- 59. The copra plantations in the Line Islands (Atoll Plantations at Christmas Island owned and operated by GIDA, and the privately owned Fanning Island Plantations, Ltd.,) employed 302 persons (306 in 1974). On the copra plantations of Fanning and Washington islands, the average monthly wage in 1975 was \$A 67.06. During 1975, GIDA had in its employ 1,248 Gilbertese, 74 Ellice Islanders and 21 expatriates, while the Co-operative Federation, Ltd. had a work force of 110 including 4 expatriates.
- 60. As previously reported, there was one major strike during 1975 by the employees of GIDA, who stopped work over the redundancy of casual labourers

g/ At 6 April 1977, £1.00 equalled \$A 1.40.

on a water project. \underline{h} / The dispute was ended when both parties agreed to institute a "work sharing" arrangement and to follow the Redundancy Agreement.

C. Public health

- 61. All government medical and public health activities are controlled by the Health Division of the Ministry of Health and Welfare. The head of the division is the Chief Medical Officer, assisted by two senior medical officers in administrative posts. Expatriate medical staff consist of one medical specialist based at the Central Hospital, a part-time family-planning doctor, a matron and a medical officer assigned to Betio. At the end of 1975, the post of pharmacist previously occupied by an expatriate, was vacant and awaiting a replacement. The staff of the health services numbered 274 during the year under review.
- 62. In 1975, there were three hospitals in the Territory with 280 beds: 160 at the Central Hospital on Tarawa, 20 at the general hospital at Funafuti (Ellice), and 100 at the general hospital maintained by BPC on Ocean Island. There were 1,674 admissions to the Central Hospital and 26,567 outpatient attendances (31,391 in 1974). All islands with a resident population have a dispensary usually comprising a central permanent building with surrounding buildings to house 20 to 40 outpatients.
- 63. In 1975, the total expenditure by the Medical Department was \$A 861,648 (\$A 632,935 in 1974).

5. EDUCATIONAL CONDITIONS

- 64. At the end of 1975, the Government was directly managing nine primary schools: four on Tarawa (including a school primarily for children of the Government's expatriate employees); two on Christmas Island; and one each on Ocean, Fanning and Washington islands. In addition, the Government was responsible for staffing and equipping the 35 schools maintained by the island councils. There were also 41 mission schools. Primary schools, including unaided schools, totalled 106, with an enrolment of 14,974 (13,506 in 1974).
- 65. Development and planning in primary education are based on a policy of consolidating substandard village schools into expanded and improved primary schools under the control of trained teachers, to give complete coverage of the school-age population between the ages of 6 and 15 years by 1978.

h/ See Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XIX, annex, paras. 72 and 73.

Assistance in the form of building grants, at the rate of \$A 2,500 per classroom, is provided from development aid sources. In 1975, grants totalling \$A 55,000 were made to the island councils and the Roman Catholic mission. All teachers in island council and "selected" mission schools are paid by the Government and a recurrent grant is made for supplies.

- 66. On 1 January 1977, the amalgamation of all primary schools in the Gilbert Islands was completed. Since that date, all primary schools have been under the control of the Minister of Education, Training and Culture, who is responsible for staffing, curriculum, equipment, new buildings, the maintenance of school buildings and the establishment of new schools.
- 67. The Ministry exercises its functions with the advice and assistance of island council education committees, primary school committees and individuals, allowing for a 50 per cent representation of parents, appointed by the Minister after consultation with the local government councils.
- 68. At present, school fees are paid in urban Tarawa, the Line Islands and Ocean Island. On all other islands, there are no school fees for children between the ages of 6 to 12 years. Children in the upper primary classes continue to pay fees.
- 69. In 1975, secondary education was provided at five co-educational schools. Two were run by the Roman Catholic mission, one providing education to the fifth form level, at Tarawa, and one to the third form level, at Abaiang. Two schools were run by the Gilbert and Ellice Islands Protestant Church at Beru and Vaitupu, both to the third form level. The fifth school was a government residential school (438 pupils) providing education to the upper fifth form level. Total enrolment in secondary schools in 1975 was 809 (802 in 1974). There were also 50 students at the Tarawa Teachers' College (55 in 1974).
- 70. There were no facilities in the Territory for secondary education beyond the fifth form level, for tertiary education or for advanced technical education. The Scholarships Committee was responsible for the over-all direction of a comprehensive programme of scholarships. In 1975, 62 Gilbertese and Ellice Islander student trainees and apprentices were studying and training overseas, compared with 69 in 1974.
- 71. The Tarawa Technical Institute and the Marine Training School, for which the Ministry of Education is also responsible, provided technical training.
- 72. In 1975, government expenditure on education, including developmental aid, was \$A 1.98 million, compared with \$A 1.21 million in the previous year.

ANNEX TI

LETTER DATED 10 MAY 1977 FROM THE PERMANENT REPRESENTATIVE OF FIJI TO THE UNITED NATIONS ADDRESSED TO THE CHAIRMAN OF THE SPECIAL COMMITTEE

I have been directed to transmit the following message to you from the Rabi Council of Leaders. I am also to request that the message be circulated to the members of your Committee:

"Your Excellency.

"Rabi Council of Leaders, representing Banaban people, is deeply disturbed at the biased picture presented to Committee of the Banaban position in relation to Gilbert Islands and their political future.

"It appears to the Council that Britain is once more attempting to depict the Banabans as being the ungrateful recipients of liberal concessions and benefits motivated mainly by greed.

"That tactic has been discredited in the past and we hope that our submission to you today will serve to discredit it again.

"The working paper a/ makes reference to protection of Banaban rights. What it does not say is that the Banabans, after careful consideration, rejected in their entirety the so-called safeguard referred to.

"The Banabans submit that the 'safeguards' fall far short of creating a situation in which our people will be able to exercise sovereignty over their ancestral homeland, Ocean Island.

"We repeat what we have said so many times over the years. Ocean Island was taken from us for the convenience of our colonial and commercial exploiters and made part of the Gilbert and Ellice Islands colony. The Banabans have never accepted that.

"That, in essence, is what our struggle is about. We do not intend to see sovereignty over Ocean Island pass into the hands of people to whom we have never owed allegiance. In their hearts, the Gilbertese know that Ocean Island does not belong to them and that we are a separate people. We ask you to consider the attitude of Britain towards the Ellice Islanders.

a/ See annex I to the present chapter, para. 14.

"They have been allowed to go their own way. Why then should the Banabans' legitimate demands be brushed aside?

"We detect, in the references to the financial returns the Banabans have received, a strong inference that we are motivated by avarice. This is a much-used propaganda ploy and one that we have become used to rebutting.

"Consider the following and ask who is guilty of avarice: The total benefit from Ocean Island phosphate accruing to the Crown in the Gilbert Islands Government up to April this year was in the region of \$A 72.0 million.

"Britain, New Zealand and Australia - and the Gilberts
Administration - squeezed additional benefits from our phosphates in
1924/25 and 1964/65 when they were sold at below their true commercial
price. Total benefit over that period recents to between \$A 27.0
million and \$A 28.2 million.

"The Gilberts have been able to accumulate a reserve fund which we understand amounts to over \$A 40.0 million.

"We quote again the Financial Secretary of the Gilbert Islands Government in the House of Assembly in December 1975:

'Thanks to phosphate, we currently enjoy a much higher standard of living than many other countries in the Pacific region and indeed in the world generally.'

"In political terms, however, it must be noted that the responsibility for disposing of Crown revenue from phosphates in the past and at present was the act of British officials and not of the Gilbertese.

"British officials arranged matters in such a way that Britain's financial responsibilities towards the Gilberts were discharged at the expense of Ocean Island's single wasting asset rather than at the expense of the British taxpayer.

"It is plain that the British Government has received enormous benefits over the years from the sole asset - soon to disappear forever - of a small defenceless people.

"We call your attention to the totally unacceptable manner in which we were bullied and tricked into allowing this benefit to flow in ever-increasing volume to the Crown at our expense and that of future generations of our people.

"We believe the comments contained in paragraph 17 b/ also need to be put into their proper perspective. Sir Reginald did not refer to 'some breaches' in the Crown's obligations to the Banabans. He spoke of 'grave breaches' of duty. We submit that the choice of terminology in this paragraph was an endeavour to gloss over the full significance of the Judge's remarks.

"It is therefore pertinent to draw the Sub-Committee's attention to some or his other statements.

"The Judge said that, although he could not himself remedy these grave breaches of duty, he would direct the attention of the Attorney-General to the matters of criticism appearing in his judgement for the Crown to do 'what is considered to be proper' in order to put right the wrong which has been done to the Banabans.

"The Judge also commented '...the Crown, is traditionally the fountain of justice, and justice is not confined to what is enforceable to the Courts'.

"Paragraph 33 c/ omits to mention the circumstances surrounding our purchase of Rabi and seeks again to convey an impression of a favoured people.

"It suited Britain to move our people from Ocean Island. We were told that war damage to the island was so great that it would not be possible for us to live there. We were tricked. We became exiles.

"We were brought straight from Japanese captivity to Rabi. We were landed in small boats on a beach, with our possessions, to begin a new and unfamiliar way of life.

"We suffered under the insensitive rule of men who knew little of our ways or our need:.

"We had to adapt to this strange environment. We lived in tents, sickness spread among us. Pulmonary diseases were rampant, brought on by a climate far wetter than that of Ocean Island.

"Many people dieà.

"When we were put ashore on that beach, we had rations of food for two months. After that we were expected to have everything organized to provide for ourselves.

b/ See annex I to the present chapter.

c/ Ibid.

"There is more. Much more. But we hope that we have helped to give you a more accurate view of our move to Rabi and of our purchase of the island.

"We want to reaffirm that the Banabans have no intention of becoming dependants of the Cilbertese.

"They have never been our masters and we cannot accept their hegemony over us. We ask simply that the independence that was once ours be restored.

"The removal of Ocean Island from the boundaries of the Cilbert Islands and its administration direct by the /United Kingdom/ Foreign and Commonwealth Office - as in the case of Tuvalu - can be done by an order in council.

"Britain is fully aware of this.

"After an initial period as a separate British colony, Ocean Island should be allowed freely to negotiate her future, not as a mini-State, but as part of Fiji, the nation where, as a result of the action of British officials in the past, most of us now live.

"Fiji has already indicated its willingness for the Banabans to become constitutionally associated with it in a form to be agreed by both parties.

"Finally, the Banabans want you to know that they have no ill will towards the Gilbertese and that they earnestly hope their future relationships with the Gilberts will be based on feelings of mutual respect and affection.

"We respectfully request that this communication be fully circulated among members of the Committee and that its contents be included in the official record of the Committee's deliberations.

(Signed) Rotan TITO
Chairman
Rabi Council of Leaders"

I take this opportunity of expressing once again my Government's appreciation and respect of your Committee's work under your able and distinguished chairmanship.

ANNEX III

LETTER DATED 6 JUNE 1977 FROM THE PERMANENT REPRESENTATIVE OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND TO THE UNITED NATIONS ADDRESSED TO THE CHAIRMAN OF THE SPECIAL COMMITTEE

I have the honour to address you on the subject of the Gilbert Islands, with particular reference to Ocean Island and the Banaban community.

The Secretary of State for Foreign and Commonwealth Affairs made a statement in the House of Commons on 27 May 1977 which is of importance in the context of consideration of the Gilbert Islands by the Special Committee and its Sub-Committee on Small Territories. I enclose a copy of the statement and I should be grateful if, together with this letter, it could be transmitted to the members of the Special Committee for their information.

Enclosure

STATEMENT MADE IN THE UNITED KINGDOM HOUSE OF COMMONS ON 27 MAY 1977 BY THE SECRETARY OF STATE FOR FOREIGN AND COMMON MEALTH AFFAIRS

On 24 January, the House was told of the Government's intention to seek a settlement of the problems connected with Ocean Island and in particular the future of the Banaban community. To assist in achieving a solution, Mr. Richard Posnett, the former Governor of Belize, was asked to visit the area. I am most grateful to Mr. Posnett for his valuable report on this long-standing and difficult problem. Copies of the report are now available in the vote office.

The Banaban concern is twofold: constitutional and financial. On the former, the Banaban leaders have pressed for the detachment of Ocean Island from the Gilbert Islands, originally as an independent State, more recently as part of Fiji. We all recognize their deeply held views on this matter. Equally, the Government and people of the Gilbert Islands feel strongly that the island should continue to be part of the Gilbert Islands, as it has effectively been for most of this century: indeed, from 1908 until the Second World War, the seat of government of the Territory was on Ocean Island. Moreover, the island is some 1,400 miles from Fiji, as compared with 240 miles from the Gilberts. There is only a small Banaban group (less than 100) now living on Ocean Island and, after phosphate mining ceases, it would not be possible for the island to support more than a very small community. There are also strong legal, constitutional and historical objections to making territorial changes.

There can be no perfect solution, but, given good will, there can be an agreed compromise. My right honourable and noble friend has been having discussions with Gilbertese ministers this week about additional guarantees and safeguards which could be provided to the Banabans and assure them of a special autonomous position for Ocean Island within the Gilberts. The basis for such a relationship exists in the many close links of language, religion, culture and marriage between the Banabans and other islands of the Gilberts. My right honourable friend the Prime Minister and I shall naturally also wish to discuss the constitutional issue with the Prime Minister of Fiji when he comes here for the Commonwealth Heads of Government meeting, not least because the vast majority of the Banaban community has long been settled on Rabi Island which is part of Fiii. I wish to assure the House that no final decisions about the future status of Ocean Island will be made before the pre-independence constitutional conference for the Gilbert Islands. Eanabans will, of course, be asked to this conference and will be free to put forward their views. I shall keep the House informed of progress on this issue.

On the financial issues, the Banabans claim that Ocean Island phosphate was exploited on terms greatly to their disadvantage and they engaged in prolonged actions in the courts on those grounds. The Vice-Chancellor in his judgment found for the Crown, but expressed considerable sympathy with the Banabans and felt that they had not always been treated as well as they should have been. I think everyone in this House is very conscious of the great hardship and privation they suffered during the Second World War and wishes to see the whole issue settled honourably.

We have been concerned for some time for the future of the Banabans after mining ends. We have therefore had consultations with the Governments of Australia and New Zealand, our partners on the Board of British Phosphate Commissioners, about how we can best help the Banaban community, who number some 2.500. secure their economic future on Rabi when phosphate revenues cease in 1979 or 1980. The three Governments are prepared to make available, on an ex gratia basis, and without admitting any liability, a sum of \$A 10 million. The money would be used to establish a fund which will be preserved for the benefit of the Banaban community as a whole, the annual income being paid to the Rabi Council of Leaders for development and community purposes. The money would come from funds which are held by the British Phosphate Commissioners on behalf of the partner Governments, the United Kingdom, Australia and New Zealand, and which would in the normal course of events have accrued to the respective exchequers. The payment would be final and would be made on condition that, in the outstanding legal actions, no appeal would be made in the case against the Crown and the early resolution of the cases against the British Phosphate Commissioners would be sought, and that no further claims would be made arising out of past events. damages to be paid by the Commissioners - damages which the Vice-Chancellor said should be neither merely nominal nor very large - are of course unconnected with, and would therefore be additional to, the ex gratia payment.

In the meantime, arrangements for the final phase of mining operations on Ocean Island, which are likely to terminate in 1979 or 1980, will clearly be of considerable importance to both the Banabans and the Gilberts Government. We will be in touch with the Gilbert Islands Government about the best way of keeping the Banabans informed and involved at every stage and their interests adequately protected.

We regard the existing division of the phosphate revenues between the Gilbert Islands Government and the Banaban landholders as reasonable, and do not envisage any alternation.

Other islands in the area have contributed in human terms to the Ocean Island phosphate industry, and the Government realize the need for help to those islands also when the industry comes to an end. We are giving further consideration to how this help might be given.

The Government has tried to meet the general concern expressed in both Houses of Parliament and elsewhere that the eventual solution should be fair to all parties. My right honourable and noble which in particular has shown a sympathy and understanding for the interests of all concerned in the region which have played a large part in securing this arrangement. The

problems are difficult and legitimate interests conflict. But i is our hope that solutions may now be reached on the basis of compromise and co-operation between all the parties concerned.

CHAPTER XX

(A/32/23/Add.4)

ST. HELENA

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CHAPTER XX

ST. HELENA

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided inter alia, to refer the question of St. Helena to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1084th meeting, on 7 July.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly, inter alia, requested the Special Committee: "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:
 - (3) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly decision 31/406 A of 1 December 1976, whereby the Assembly requested the Special Committee, "in continued co-operation with the administering Power, to seek the best ways and means of implementing the Declaration with respect to St. Helena ...".

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the Territory.
- 5. The representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power concerned, participated in the work of the Special Committee during its consideration of the item.
- 6. At its 1084th meeting, on 7 July, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1084), introduced the report of the Sub-Committee (A/AC.109/L.1176), containing an account of its consideration of the Territory.

- 7. At the same meeting, the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and approved the draft consensus contained therein (see para. 9 below).
- 8. On 8 July, the text of the consensus was transmitted to the Permanent Representative of the United Kingdom to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

9. The text of the consensus concerning St. Helena adopted by the Special Committee at its 1084th meeting, on 7 July 1977, to which reference is made in paragraph 7 above, is reproduced below:

The Special Committee, having heard the statement of the representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power, and having examined closely the conditions in the Territory for the period under review, reaffirms the inalienable right of the people of St. Helena to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples contained in General Assembly resolution 1514 (XV) of 14 December 1960. Noting the commitment of the United Kingdom Government to respect the wishes of the people of St. Helena, in relation to their advance towards self-determination, and to carry out a policy aimed at implementing the consensus on the Territory adopted by the General Assembly on 1 December 1976, Decision 31/406 A, the Special Committee reaffirms that continued development assistance from the administering Power, together with any assistance that the international community may be able to provide, constitutes an important means of developing the economic potential of the Territory and of enhancing the capacity of its people to realize fully the goals set forth in the relevant provisions of the Charter of the United Nations. In this connexion, the Committee notes the commitment of the administering Power to foster the social and economic development of St. Helena in close co-operation with the elected representatives of the people of the Territory. The Special Committee also notes the positive attitude of the administering Power with respect to the question of receiving visiting missions and considers that the possibility of dispatching such a mission to the Territory at an appropriate time should be kept under review, taking into account, in particular, the wishes of the people of St. Helena. The Special Committee decides, subject to any new directives which the General Assembly might give in that connexion at its thirty-second session, to continue consideration of the question at its next session.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*} Previously issued under the symbol A/AC.109/L.1168.

ST. HELENA a/

1. GENERAL

1. The Territory of St. Helena lies in the South Atlantic, approximately 1,931 kilometres from Angola and 2,896 kilometres from Brazil. The Territory covering an area of 411.8 square kilometres consists of the island of St. Helena and two dependencies, Ascension Island and a group of six islands (five uninhabited) forming the dependency of Tristan da Cunha. St. Helena is the largest island of the Territory, with an area of 121.7 square kilometres and a population, mainly of African, Asian and British descent, estimated at 5,056 at the end of 1972, including 1,600 in Jamestown, the capital. Ascension, with an area of 88 square kilometres, has no indigenous population; the number of inhabitants varies from year to year according to the availability of local employment (1,129 at the end of 1972, of whom 660 were from St. Helena). At 30 June 1976, Tristan da Cunha, with an area of 98.4 square kilometres, had 290 inhabitants, also of mixed origin.

2. CONSTITUTIONAL ARRANGEMENTS

- 2. An Order-in-Council and Royal Instructions of November 1966, which came into force on 1 January 1967, provides for a Legislative Council, consisting of the Governor, two ex officio members (the Government Secretary and the Treasurer) and 12 elected members; and an Executive Council, consisting of the Government Secretary and the Treasurer as ex officio members and the chairmen of the council committees (all of whom must be members of the Legislative Council). The Governor presides at meetings of the Executive Council. Council committees, a majority of whose members must be members of the Legislative Council, are appointed by the Governor and charged with executive powers and general supervision of government departments. General elections were held in February 1968 and May 1972. Elections were scheduled to be held in 1976.
- 3. On 2 July 1975, the representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power, informed Sub-Committee II at its 237th meeting (A/AC.109/SC.3/SR.237) that, in the view of his Government, the Constitution was working well and further changes

^{2/} The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 23 November 1976 for the year ending 31 March 1976. Information was also transmitted on 14 January 1977 concerning Tristan da Cunha, relating to the year ending 30 June 1976.

- at the current stage would be premature. He went on to say that there was no desire for independence among the islanders, who were strongly attached to the United Kingdom. The United Kingdom representative noted, however, that his Government respected the right of the people of St. Helena to self-determination and that, if the Legislative Council were to made proposals at any time concerning the Territory's future, they would receive very careful study.
- 4. There are four courts on St. Helena: the Supreme Court, the Magistrate's Court, the Small Debts Court and the Juvenile Court. Provision exists for a St. Helena Court of Appeal, which can sit at Jamestown, the capital, or at London.

3. ECONOMIC CONDITIONS

- 5. The period 1974/75 was the first year of the five-year development plan, 1974-1979, which had been approved by the Legislative Council in June 1974. However, inflation has affected implementation of the plan. As originally submitted, the plan envisaged a total expenditure of approximately £1.5 million b/ over the five-year period, with an estimated expenditure of £175,000 in 1974/75, rising to £450,000 in 1978/79.
- 6. The 1975/76 all ation of development expenditure was limited to £230,000, which was supplemented by certain unspent balances from previous years, and according to the report of the administering Power, the rate of inflation was already making inroads into those funds, delaying achievement of the aims envisaged under the plan when it was first initiated. Other factors also contributed to delays in implementation, notably slow deliveries of essential equipment from abroad and the difficulty of recruiting a suitable expert to organize the fishery survey, on which so many hopes for the increased prosperity for St. Helena had been built. This difficulty was subsequently overcome when the United Kingdom agreed to finance the cost of carrying out the survey. Development aid funds provided by the United Kingdom Government for 1975/76 amounted to £268,842.
- 7. The United Kingdom has also financed surveys, through technical co-operation funds, on the development of future shipping services affecting the islands of St. Helena and Ascension, on the problem of rock-falls in the vicinity of Jamestown and on irrigation possibilities for agricultural development. In addition, the United Kingdom has provided funds for the employment of an agronomist, a forestry officer, a laboratory technician, several temporary medical officers and chief executives for the Territory's main trading firm and for the Agricultural Development Authority.

 $[\]underline{b}$ / The local currency is the pound sterling (£).

8. During 1976, the newly constituted Agricultural Development Authority, one of the corner-stones in the development plan for the transformation of agriculture in the Territory, was separated from the Agriculture and Forestry Department, and a general manager was recruited from the United Kingdom (see para. 7 above). The aim of the Authority is twofold: initially, to improve the productivity of the government farm lands with the object of making the Territory more self-sufficient in its produce; and, eventually, in the longer term, to encourage the emergence of a stronger private farming sector by making available suitable land to adequately trained smallholders. It was decided as a first step that the Authority should take over the Government's meat and malk herds and the production of potato and fodder crops, but that the production of other vegetables and of fruit should remain the responsibility of the Agriculture and Forestry Department and private farmers.

St. Helena: public finance, 1975/76

(In pounds sterling)

A. Revenue

Customs	02 000
	93 039
Port and marine	20 935
Licences and taxes	44 824
Fees and reimbursements	44 066
Post office	39 117
Revenue from properties	14 734
Interest	13 552
Miscellaneous	8 789
Electricity and telephones	91 486
Agriculture Development Authority	50 655
Grants-in-aid	791 500
Development aid	268 842
	1 481 539

B. Expenditure

Governor	12	642
Agriculture and forestry	113	
Audit		141
Education		198
Electricity and telephones		501
Miscellaneous	402	
Pensions and gratuities		268
Police and gaol		625
Post office		852
Public health	106	
Public works		046
Public works, annual recurrent	140	
Secretariat	25	
Social welfare	84	
Treasury and customs	22	
Judicial		265 941
Agricultural Development Authority	50	
Development aid	.=	
	291	UUZ
	1 544 (027

4. SOCIAL AND EDUCATIONAL CONDITIONS

- 9. At 31 March 1976, the principal categories of wage earnings were the following: skilled and general labourers, 312; agricultural labourers, 275; building tradesmen and apprentices, 172; mechanics, engine and motor drivers, 66; and fishermen and boatmen, 12. Government employees work an average of 45 hours per week and commercial employees and average of 47 hours per week.
- 10. According to the administering Power, labourers employed by the Sovernment receive sick leave with full pay for up 50 days in any calendar year and half pay thereafter for the same length of time. About 90 per cent of the population belongs to one or more of the six Friendly Benefit Societies, from which they can expect to receive sick benefits.
- 11. Men under 60 years of age who are unable to find full-time employment are given two or three days' work per week, for which they are paid at the rate of £2.30 per day. The system of light, part-time work for men 60 years of age or above was abolished in 1973, such men being eligible for normal relief payments if they are unable to support themselves.
- 12. Workmen's compensation is payable as follows:
- (a) For death, dependants receive £350 or 36 months' wages, whichever is less;
- (b) For permanent total disablement of an adult, £450 or 48 months' wages, whichever is less, and of a minor, £450 or 96 months' wages, whichever is less;
- (c) Where injuries lead to permanent partial disablement, the amount payable is dependent on the degree of disability.
- 13. About one third of St. Helena's population of 5,056 is resident in Jamestown, the remainder living in cottages scattered throughout the island. Owing to Jamestown's situation in a deep, narrow valley, there is little room for expansion in this area of greatest population density.
- 14. According to the administering Power, since 1972, 12 three-bedroomed flats have been constructed at Jamestown, 19 two- and three-bedroomed cottages at Half Tree Hollow and a cottage at the mental hospital. In addition, a number of dilapidated buildings have been rebuilt, modernized or converted to habitable family accommodation. Other projects include the upgrading of seven existing government cottages by installation of baths and water-borne sanitation, as well as extensions to existing cottages by the addition of extra bedrooms.
- 15. In 1975/76, recurrent expenditure on public health amount to £106,651 and capital expenditure to £12,797, financed respectively by a grant-in-aid and development aid from the United Kingdom. Total public health expenditure represented 7.7 per cent of total government expenditure.

16. In 1975/76, recurrent expenditure on education amounted to £79,198 and capital expenditure to £1,750, financed respectively by a grant-in-aid and development aid from the United Kingdom. Total educational expenditure represented 5.2 per cent of total government expenditure.

5. DEPENDENCIES OF ST. HELENA

A. Tristan da Cunha

- 17. At 30 June 1976, the population of Tristan da Cunha numbered 304, including 14 expatriate government officers and their wives and children. There was no emigration or immigration during the year.
- 18. The local government is headed by an Administrator, who is responsible to the Governor of St. Helena for the administration of the dependency. Because of communications problems, he usually reports directly to the Foreign and Commonwealth Office at London. The Administrator is advised by an Island Council of eight elected and three appointed members. Committees are elected to advise on agriculture and natural resources; public health and public works; education and social welfare; and the island store.
- 19. In the general election, held on 13 April 1976, 17 condidates were nominated for the eight seats on the Island Council and 67 per cent of the electorate voted (34 per cent in 1973). All persons over the age of 18 years are on the electoral roll. The elected member with the most votes cast becomes Chief Islander and leader of the Island Council. The previous incumbent was re-elected. It is required that one member of the Island Council be a woman.
- 20. According to the administering Power, as a result of the recession in the United States of America and other factors, the local government did not receive the fisheries royalty normally paid each October. As a result, estimated expenditure (£105,132) exceeded revenue (£56,590) by £48,542, although the surplus of £34,445 from previous years helped to cushion the effect of the deficit, and a reduced work-week had been introduced to contain expenditure. Philatelic sales contributed an estimated £45,000 to revenue. The dependency is free of any form of direct taxetion, apart from a nominal 65 new pence per annum paid by all householders.
- 21. The main sources of employment are the Government and the crayfish industry, the major economic activity of the island.
- 22. Fishing company employees contribute to their own provident fund. A government pension scheme was to be introduced in January 1977, to which all employees on the island would contribute. Pensions would be paid to all persons over 65 years of age, to widows of any age and to their children up to the age of 15 years, and to orphans.

- 23. Education is free and compulsory for all children between the ages of 5 and 15 years. A new school, opened in August 1975, was built with United Kingdom development funds. In 1975/76, recurrent expenditure on education amounted to £3,630 and capital expenditure to £840.
- 24. A medical officer from the United Kingdom is in charge of public health matters, assisted by two indigenous assistants. In 1975/76, recurrent expenditure on health amounted to £7,960 and capital expenditure of £1,200.

B. Ascension Island

- 25. The small island of Ascension lies approximately 1,120 kilometres north-west of St. Helena. The island is an important communications centre serving as a relay station, operated by the South Atlantic Cable Company, for cables between South Africa and Europe.
- 26. The expatriate staff of Cable and Wireless, Ltd., and the staff of the base established in 1942 by the Government of the United States of America numbered approximately 460. The base, which was set up under an arrangement with the United Kingdom Government, is now operated as part of the United States tracking system.

CHAPTER XXI

(A/32/23/Add.4)

AMERICAN SAMOA

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CHAPTER XXI

AMERICAN SAMOA

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, inter alia, to refer the question of American Samoa to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1084th meeting, on 7 July.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly, inter alia, requested the Special Committee: "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and , in particular:
 - (a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly resolution 31/55 of 1 December 1976, by paragraph 9 of which the Assembly, inter alia, requested the Committee: "To continue to seek the best ways and means for the implementation of the Declaration with respect to American Samoa, including the possible dispatch of a visiting mission in consultation with the administering Power ...".

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the Territory.
- 5. The representative of the United States of America, as the administering Power concerned, participated in the work of the Committee during its consideration of the item.
- 6. At its 1084th meeting, on 7 July, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1084), introduced the report of the Sub-Committee (A/AC.109/L.1175), containing an account of its consideration of the Territory.

- 7. At the same meeting, the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and endorsed the conclusions and recommendations contained therein (see para. 9 below).
- 8. On 8 July, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United States to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

- 9. The text of the conclusions and recommendations adopted by the Special Committee at its 1084th meeting, on 7 July 1977, to which reference is made in paragraph 7 above; is reproduced below:
 - (1) The Special Committee reaffirms the inalienable right of the people of American Samoa to self-determination and independence in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.
 - (2) Fully aware of the special circumstances of American Samoa, owing to such factors as its size, geographical location, population and limited natural resources, the Special Committee reiterates the view that these circumstances should in no way delay the speedy implementation of the process of self-determination in conformity with the Declaration contained in resolution 1514 (XV), which fully applies to the Territory.
 - (3) The Special Committee expresses its appreciation for the co-operation of the administering Power concerned in participating actively in the work of the Committee, thereby enabling the Committee to conduct a more informed and more meaningful examination of American Samoa, with a view to accelerating the process of decolonization towards the full and speedy implementation of the Declaration.
 - (4) Having studied reports of the possibility of the United States Congress enacting an organic act defining the relationship of the Territory to the United States Government and having heard the statements of the administering Power, the Special Committee is of the view that the administering Power ought not to proceed with any such legislation without having informed the people of the Territory of the options open to them consistent with the Declaration contained in resolution 1514 (XV), having consulted fully with the people and having obtained their agreement. In this connexion, the Committee notes the statement of the representative of the administering Power that, since it is felt that an organic act could jeopardize traditional land-holding patterns in the Territory, there is still little support among the people of the Territory for consideration by the United States Congress of such an act and there is no immediate prospect of the Congress approving an organic act for American Samoa.

- (5) The Special Committee notes with satisfaction the decision of the people of the Territory in favour of electing their own Governor and Lieutenant-Governor. It urges the administering Power to grant the elected Governor as wide a range of powers and responsibilities as possible, consistent with its obligations under Article 73 b of the Charter of the United Nations, to advance self-government in its dependent Territories. The Committee considers that there should continue to be a close consultation and co-operation between the Fono (Legislature) and the executive branch of the Government on the one hand, and the traditional consultative and leadership structure of the Samoan people on the other, so that the culture and identity of the people of the Territory can continue to be reflected in government and preserved to the fullest extent.
- (6) The Special Committee is concerned about the recent reverses suffered by the economy of the Territory, in particular by the fishing industry, one of its strongest pillars. The Committee would welcome information as to the reasons for poor fishing conditions in the area and what steps are being contemplated, perhaps in concert with neighbouring States, to protect the Samoan fishing industry from similar reverses in the future.
- (7) The Special Committee notes the statement of the representative of the administering Power to the effect that over-all unemployment in the Territory is estimated at 7.4 per cent of the labour force and that the unemployment consists largely of the young and unskilled. The Committee expresses the hope that the administering Power, in consultation with the representatives of the people, will take the necessary steps to expand the economy so as to provide over-all employment in the Territory.
- (8) The Special Committee notes the positive attitude of the Government of the United States of America on the question of receiving United Nations visiting missions, and expresses the hope that the administering Power will accept an early visit to American Samoa by such a mission so as to enable the Committee to obtain first-hand information on the conditions existing in the Territory and to ascertain the wishes and aspirations of its people concerning their future.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARJAT

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^{*} Previously issued under the symbol A/AC.109/L.1166.

AMERICAN SAMOA a/

GENERAL

- 1. Basic information on American Samoa is contained in the report of the Special Committee to the General Assembly at its thirty-first session. \underline{b} / Supplementary information is set out below.
- 2. American Samoa consists of seven islands covering some 196.8 square kilometres of land scattered over the South Pacific Ocean. The 30,900 American Samoans living in the Territory are not United States citizens but United States nationals having free access of entry to the metropolitan country. For this reason, as the present American Samoan delegate-at-large to Washington, D.C. has pointed out, federal agencies do not have a record of the number of American Samoans living in the United States.
- 3. Many American Samoans are United States citizens. If born in the United States, or in Guam or any other unincorporated Territory, citizenship is automatic, and for those who take up residence in the United States or in a Territory under that country's administration, naturalization is a special process which does not require the usual five-year waiting period.
- 4. In June 1976, before a congressional sub-committee, Judge A. P. Lutali, the delegate-at-large from American Samoa, urged the United States Congress to grant separate identification categories to Pacific Island Americans and Asian Americans when the next census is taken in 1980. At present, all Pacific Islanders and persons of Asian origin are grouped under one classification.
- 5. In January 1977, it was reported that the territorial Office of Economic Development and Planning was conducting a 10 per cent sample census to bring up to date information collected in 1974 on the number and characteristics of the population which would help in making decisions on future developments.

a/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United States of America under Article 73 e of the Charter of the United Nations on 28 March 1977. The territorial Government has changed its fiscal year from 1 July to 30 June to 1 October to 30 September. The present annual report therefore covers 1 July 1975 30 September 1976.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XXII, annex.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

6. The Territory is administered by the United States Department of the Interior. The present Governor is Frank Barnet, who was appointed by the Secretary of the Interior and took office in Lacember 1976. He is the forty-ninth Governor of the Territory and the eleventh to serve as chief executive since the Department of the Interior took over the administration of the Territory from the United States Navy in 1951.

B. Elected governor and lieutenant governor

- 7. By a special plebiscite held on 31 August 1976, American Samoans took the first step towards electing their own governor and lieutenant governor. In July 1976, Henry Neil Mallo, the Special Plebiscite Commissioner, and Maurice McBride, his assistant, arrived in the Territory to prepare the population for the plebiscite. Mr. Mallon is an industrialist and civic leader from Dallas, Texas, and Mr. McBride is an attorney with the Federal Government in Washington, D.C. Various meetings were held throughout the Territory to explain the issue to the public, and registration took place from 26 July to 27 August.
- 8. Following the plebiscite, Mr. Mallon announced that, of the 4,451 ballots cast, 3,044 were in favour, 1,366 against and 41 were declared void. Three similar proposals had been rejected in 1972, 1973 and 1974, in part, it was believed, because Samoans had been fearful that elected leaders would cause the disintegration of the traditional chief system.
- 9. The result of the election will require legislative changes, which are currently being discussed by the Office of Territorial Affairs of the United States Department of the Interior and Samoan leaders.
- 10. Following the plebiscite, an Elected Governor Commission was established to lay the groundwork for implementing the decision and to consider the qualifications, salary and appointive powers of an elected governor, as well as the nomination and election procedures, term of office, line of succession, right of succession and recall procedures for that post. The Commission was to hold three sessions in Pago Pago. Meetings were open to the general public to give it an opportunity to express its views. Written statements were also accepted prior to 13 December 1976.
- 11. The Commission's Chairman, C. Brewster Chapman, Jr., an Associate Solicitor for the United States Department of the Interior, said late in 1976 that it was the intention of the Secretary of the Interior to hold the first gubernatorial election not later than November 1977. The report of the Commission was to have been submitted to the Secretary of the Interior no later than 1 March 1977. The Secretary was then to review the report, consult with the congressional committee concerned and take appropriate action.

- 12. The elected governor would remain under the authority of the Secretary of the Interior, who in turn would continue to be responsible to the United States Congress for the administration of American Samoa.
- 13. According to an editorial in the <u>Pacific Islands Monthly</u> of January 1977, an elected governor act would be a preliminary step to the adoption of an organic act for American Samoa, which would officially make American Samoa a United States Territory with a constitution formally recognized by the United States Congress rather than by the United States Department of the Interior, as at present.
- 14. On 2 March 1977, Governor Barnett called a special session of the Fifteenth Legislature to consider legislative enactments, constitutional changes or resolutions to implement the decision by the people of American Samoa to elect their own governor and lieutenant governor. The session was to begin on 28 March and was not to exceed 14 legislative days.

C. Legislature

- 15. The Legislature of American Samoa, established by article II of the Territory's Constitution, as revised in 1967, consists of a Senate and a House of Representatives. Each of the 15 political counties elects one or more matais (chiefs) by custom to the Senate to serve for four years. There are 18 members of the Senate.
- 16. The 20 voting members of the House of Representatives are elected by adult suffrage from 17 representative districts. The delegate from Swains Island is elected by the permanent adult residents at an open meeting, and has all the privileges of a member of the House except the right to vote. The 20 representatives and the delegate from Swains Island each hold office for two years. Business in the two houses is carried out in Samoan and later translated into English.
- 17. The Legislature holds two regular 30-day sessions each year. In 1976, the third regular session of the Fourteenth Legislature was convened from 12 January to 20 February and the fourth regular session was held from 12 July to 16 August. It reconvened on 3 September and adjourned sine die on 10 September. In the two regular sessions, 14 senate bills and 18 house bills were passed and sent to the Governor, who signed 13 bills into law and vetoed 19.
- 18. Three special sessions were also called during the period under review. These dealt mainly with the final budget for the transitional period (see foot-note \underline{a} / above) and for 1976/77 and the preliminary budget for 1977/78.
- 19. General elections for the voting members of the House of Representatives for the Fifteenth Legislature were held on 2 November 1976. There were 64 candidates for the 20 seats. During the first regular session of the Fifteenth Legislature, which opened on 10 January 1977, the Governor signed 17 bills into law and vetoed 8. Walter Jensen, the Acting Governor, also vetoed one bill.

D. Judiciary

20. During the period under review, the United States Secretary of the Interior appointed Leslie N. Jochimsen as Chief Justice of the High Court of American Samoa. Richard I. Miyamoto, until recently Attorney General for the Trust Territory of the Pacific Islands, and William K. O'Connor, a Los Angeles attorney with past government services, were appointed associate justices.

E. Future status of the Territory

- 21. Apart from the question of the elective governor, two other aspects of Samoan home rule brought to the attention of the United States Congress in 1976 concerned the status of the delegate-at-large and the question of an organic act for the Territory.
- 22. Since 1970, American Samoa has maintained a delegate's office in Washington, D.C., at its own expense. The office is not listed in the Congressional Directory and the delegate-at-large has no official privilege to attend committee meetings or to maintain an office in a government building, as do the delegates from Guam and from the United States Virgin Islands. A bill sponsored by the then Representative Spark M. Matsunaga of Hawaii, among others, would have given official status to the American Samoan delegate.
- 23. More complicated is the question of an organic act for the Territory to provide it with a basic constitution similar to that of other Territories under United States administration. Such a constitution would extend the full United States Bill of Rights to American Samoa, which some consider could jeopardize the Territory's traditional family system of land ownership.
- 24. At a "Territory Day" celebration, held at Washington, D.C., on 8 October 1976, Judge Lutali, the delegate-at-large, said:

"We have many things in common. Our loyalty to the United States has been demonstrated. Our commitment to its purposes and ideals is genuine and true. We all love America. But we also have another thing in common ... we are all second-class Americans. As long as we do not exercise the full measure of being a citizen of this great nation, as long as we do not enjoy the full benefits available to other citizens of America, we will forever be relegated to a second-class status. We must, therefore, work harder together, and speak louder together. Individually, we have little political leverage; together we can be heard."

F. Public service

- 25. At 30 September 1976, the local work force of the territorial Government comprised 3,293 employees, of whom 2,794 were full-time employees (including 161 on two-year employment agreements, 136 of whom were United States citizens), 178 were part-zime employees, 316 were employed in special programmes such as the Youth Conservation Corps (YCC), the Territorial Administration on Aging and the Comprehensive Employment and Training Act (CETA).
- 26. A breakdown by profession shows that approximately 40 per cent were employed as support personnel (technicians, artisans, labourers, clerks, service workers, equipment operators); 25 per cent as teachers, principals or counselors; 22 per cent in specialized jobs (master craftsmen, functional specialists or supervisors); and 13 per cent consisted of top and middle management employees and executives.
- 27. In 1975/76, the moratorium was maintained on step increases and in-service promotions, which had been frozen since February 1975 when the Territory faced a financial crisis. In early 1977, however, Governor Barnett announced the resumption of periodic step increments for eligible government employees. The Governor emphasized that resumption of the increments would not eliminate the requirements for a review of all hiring, reclassification and promotions by the Office of the Governor, including in-service promotions.
- 28. The Office of Samoan Affairs, directed by one of the traditional chiefs, serves as the link between the American Samoan people and the territorial Government's officials and various departments. The Office of Samoan Affairs, also known as the Office of Local Government, strives to develop a self-sustaining and self-reliant system of local government, consistent with traditional policy. Under the administration of the Secretary of Samoan Affairs are 3 district governors, 14 county chiefs, 53 village pulenu'us (mayors), 6 village police officers and 3 district clerks.
- 29. During the period under review, the staff of the Office was increased to 10 with the addition of a legal counselor and a sports co-ordinator. The Office conducts elections and is responsible at the local level for village problems, such as water systems, roads, sanitation, agriculture, schools and land disputes. In August 1976, the Office conducted the special plebiscite referred to in paragraph 7 above.

3. ECONOMIC CONDITIONS

A. Public finance

- 30. The final budget for 1975/76, including the budget of the United States Department of the Interior for the Territory, local appropriations, grants from federal agencies and receipts for industrial/commerical operations, amounted to \$US 45.4 million. c/ The budget for the fiscal year 1976/77, which now begins on 1 October 1976 and includes capital improvements and special programmes, totalled \$US 47.5 million obtained from the following sources: \$US 23.0 million in direct congressional appropriations and Department of the Interior grants-in-aid, \$US 16.8 million in other federal grants, \$US 3.9 million in basic local appropriations, and \$US 3.9 million in matching grant appropriations.
- 31. The final budget for the transitional period was \$US 10.4 million. The preliminary budget for 1978 amounts to \$US 39.3 million.
- 32. The Office of Grant Administration, which was established in 1975 to co-ordinate, control and evaluate all continuing and proposed federal grant programmes, was put into operation in 1976.
- 33. In the same year, the Office of Planning and Budget was separated from the Department of Administrative Services and established as a new organizational entity. According to the annual report of the administering Power, this reorganization was effected in order to place increased emphasis on the functions of programme planning and budget development and to achieve greater management control over all activities within these areas.
- 34. In 1975/76, total imports amounted to approximately \$US 38.0 million, \$US 29.7 million of which came from the United States, \$US 2.4 million from Japan, \$US 2.3 million from New Zealand and \$US 1.2 million from Switzerland. Imports included 102.2 million litres of diesel fuel, 52.7 million litres of jet fuel, 12.3 million litres of motor gasoline and 1.0 million kilograms of sugar.

B. Agriculture and livestock

35. Changes and modifications in government endeavours in the field of agriculture and livestock appear to have been extensive during the period under review. The staff of the territorial Department of Agriculture was reduced from 53 in 1975 to 27 in 1976 and in July of that year, the beginning of the transitional period, it was further reduced to 9: 3 in extension services, 4 in the marketing service and 2 in the Director's office. The budget was reduced from \$US 552,000 in 1975 to \$US 300,000 in 1976.

c/ The local currency is the United States dollar (\$US).

- 36. Other changes which became effective during the transitional period included the transfer of the quarantine services to the Port Administration; the transfer of machine services, including manpower and equipment, to the Department of Public Works; and the transfer of the Youth Office, which had been part of the Governor's Office of Manpower Resources, to the Department of Agriculture. In addition, the Director of Agriculture, who was formerly responsible directly to the Governor, is now responsible directly to the President of the Community College which was transferred to its new location at Mapusaga in 1975.
- 37. Farm supplies, such as fertilizers, chemicals, seed and animal feed, are no longer sold by the Department of Agriculture. Although a farmers' co-operative now sells animal feed, farmers have been unable to obtain supplies of chemicals and fertilizers because the private sector had not been prepared in advance to fulfil this need.
- 38. Despite the reduction in personnel and in the budget of the Department of Agriculture, food production increased in 1976 and food prices in the local market dropped drastically. Taro declined from \$US 1.00 a pound to as low as 15 cents a pound. During 1976, taros were exported for the first time in the history of American Samoa (16,000 pounds). Importers in Carson, California, paid the local farmers from \$US 0.20 to \$US 0.25 a pound FOB Pago Pago. The only other agricultural commodity exported was ginger, with an export volume of 42,000 pounds. Although the amounts of these exports were relatively small, they represented the beginning of an attempt to devalop overseas markets for American Samoan products.
- 39. The school lunch programme, under the Department of Education, uses local produce, such as taros, bananas, bread-fruit, fruits and vegetables. Hore than \$US 5,000 has been paid to local farmers for supplies provided under the programme.
- 40. The annual report of the administering Power states that an agricultural training centre and research station was to be opened at Mapusaga, on the unimproved area leased by the territorial Government for the Community College. The centre will also use two farms at Manu'a and Ta'u. According to the annual report, the centre, which is easily accessible to the public and is near the Community College, is to replace the Taputimu Experimental Farm, which for 40 years was the focal point for all agricultural improvement projects. The farm has been partially closed and should be closed completely 12 months after the opening of the centre at Mapusaga.
- 41. In preparation for the transfer to Mapusaga, the production of taro planting materials and other crops was discontinued at Taputimu early in 1975. The swine, cattle and poultry stocks, which had been kept for experimental production to improve stock, were either transferred to local farmers or sold.
- 42. The training of farmers, which was initiated six years ago at the Taputimu Experimental Farm, will be continued at the new training centre. Staff of the Department of Agriculture will also give courses at the Community

- College. According to reports, two courses to increase public knowledge of and basic skills in tropical crop production and the breeding of livestock were to be given in the 1976/77 academic year.
- 43. In February 1977, the Director of Agriculture announced that free banana plantings were available from the Department's banana demonstration centre at Mapusaga. The banana demonstration programme had been enthusiastically accepted by the general public, and more than 10 new banana farms have been started since the programme began.
- 44. Two near-hurricane storms on 10 and 11 December 1976 reportedly damaged crops valued at \$US 585,000 including 75 per cent of the banana crop and 50 per cent of the bread-fruit and papaya crops. Although it was not thought necessary to request relief funds as a result of the storms, the Commissioner of Public Safety stressed that all residents who had suffered either crop or structural damage on their property during the high winds and heavy rains should make an accurate report to the Office of Samoan Affairs in case compensation might be awarded at a later date.

C. Fisheries

- 45. In 1976, the territorial Office of Marine Resources continued its work in fisheries development with two major changes. The Office became an affiliate of the Community College and an American Samoan was appointed for the first time to head the Office. The Office undertook four projects, with the primary goals of supplying fresh rish for the local population and expanding employment opportunities throughout the industry, as follows:
- (a) development of commercial fisheries; (b) a bait-fish project;
- (c) statistical analyses; and (d) a sports fishing survey.
- 46. As part of the project to develop commercial fisheries, a 15-metre research vessel, the <u>Alofaga</u>, made 83 trips over a period of 10 months and obtained a catch totalling 19,195 kilograms. The purpose of the experiment was to determine the economic feasibility fo a multiple-method fishing operation. Three main fishing techniques were utilized: bottom-handling, trolling and pole-and-line, using live bait.
- 47. The bait-fish project was designed to raise small freshwater fish for use in live-bait tuna fishing with the pole and line. The bait-fish (Mexican mollies) used on the Alofaga proved effective in attracting schools of tuna and holding them around the boat. A complete commercial trial using the mollies is to be run to test their economic feasibility. The Office of Marine Resources is to provide the required amount of bait and a California company is to conduct the trial, which will be financed by the Pacific Tuna Development Foundation.
- 48. During 1975/76, the catch from 21 locally owned and built fishing dories was sold to local markets. With the growing number of outlets for fresh fish, it has become more difficult to collect data from the fleet. Data were

- collected from 485 ships, however, and it was estimated that the total 1976 catch amounted to 94,900 kilograms valued at \$US 115,077. Poor fishing during recent years has resulted in a decline in the number of fishing vessels based in the Territory.
- 49. As part of the continuing survey of American Samoa's inshore reef fish, 672 species have now been collected, catalogued and added to the reference collection at the Jean P. Hayden Museum of American Samoa.
- 50. The sports fishing survey conducted over a period of five years yielded a total catch of 1,098 fish weighing 5,808 kilograms, collected during 135 standard boat trips averaging 5.8 hours in length. Among the fish caught were eight weighing almost 43 kilograms.
- 51. In 1975/76, 2.1 million cases of tuna were exported, valued at \$US 44.8 million (2.7 million cases valued at \$US 48.6 million in the previous year). During the transitional period, 631,953 cases were exported, valued at \$US 13.5 million.

D. Industry and development

- 52. According to the report of the administering Power, the continuing world-wide recession has been responsible for the Territory's failure to attract outside capital and industry. Only late in 1975/76 were signs of recovery apparent.
- 53. The territorial Economic Development Commission, while only slightly active in the capital and industrial recruitment programme, has taken an active role in identifying parameters for the establishment and control of local business. The Development Planning Office continued to provide technical assistance to local establishments by collecting and recording statistics on, inter alia, the consumer price index, employment, income and the gross national product.
- 54. The Tafuna Industrial Park, which was built by the Construction Division of the Public Works Department with assistance from the Economic Development Administration, was scheduled for completion in 1976 at a cost of \$US 1.0 million. The park can accommodate some 20 light assembly plants, similar to the watch and jewellery facilities now in operation. A dairy products company was to move to the park in 1976/77.
- 55. Also during 1976, the master plan for the Bay area of Pago Pago, which had been prepared with public participation, was formally adopted. As a concommitant, the Governor approved an executive memorandum containing an outline for the future use of all public lands.

E. Public utilities

56. The electric power situation improved during the year with the loan of an additional 4,500 kW unit from the United States Army, bringing the total

power on loan to the Government of American Samoa to 13,500 kW. The unit was lent to the Territory for two years to relieve the critical power shortage.

- 57. In 1975/76, the operating budget for the Department of Public Works was \$US 3.4 million and \$US 1.0 million for the transitional period. In addition, \$US 11.0 million was budgeted for capital improvement projects in 1975/76 and during the transitional period. With these funds, the Department continued its major activities in engineering, design, construction and maintenance of all government facilities. Design and construction contracts by outside contractors amounted to \$US 4.5 million during 1975/76 and \$US 4.0 million during the transitional period.
- 58. At the end of 1976, the Governor's Office announced that the United States Army Corps of Engineers had completed a series of public hearings on its proposed four-year study of territorial water resources. The study, which would cost \$US 1.5 million, would cover water supply, flood control, navigation, waste-water management and other factors. During the hearings, most of the questions and comments centred on specific village problems, such as clean water and shore protection. Individual problems were to be looked into as part of the comprehensive study.

F. Tourism

- 59. During 1976, the Office of Tourism concentrated on increasing the number of visitors to the Territory and, to this end, participated in a promotion programme covering the entire Pacific area. With a grant from the Economic Development Administration, the Office acquired the services of a specialist to develop and promote sailboat rentals, snorkeling, scuba diving and fishing trips.
- 60. In the same year, American Samoa joined 10 other Pacific countries to form the Pacific Islands Tourism Development Council. The Council met several times during the year with representatives of air carriers serving the South Pacific area to develop convenient air routes and schedules to allow visitors to island-hop through the Pacific.

G. Transport and communications

61. In 1976, station KVZK was separated from the Department of Education and an Office of Television Operations was created, which is directly responsible to the Office of the Governor. A full-time staff of 30 now provides television instruction on three channels during each school day, working in co-operation with the staff of the Division of Development of the Department of Education, which handles curriculum and scheduling. Community television is provided on two channels during evenings and weekends. It is estimated that there are from 5,000 to 6,000 sets in use in the Territory, 20 per cent of which are in colour.

- 62. Traffic is a major problem. In 1976, there were 67 kilometres of paved and 64 kilometres of unpaved roads in American Samoa and 3,371 licensed vehicles, an average of 26 vehicles for each kilometre of road.
- 63. In 1976, 9,498 aircraft landed at Pago Pago International Airport (6,616 in the previous year and 2,716 in the transitional period). As a consequence of a report from the United States Army Corps of Engineers in 1976, indicating that the surface of the airfield needed strengthening, the territorial Government approved plans for the required improvements which would enable heavy aircraft to land safely at the airport. Work was scheduled to begin early in 1977 and it was anticipated that the project would cost \$US 3.5 million. It was also reported that \$US 302,000 had been allocated to pay part of the cost of installing lighting at Tufuna airport.
- 64. Shipping activity declined in 1975/76. Vessels utilizing the ports numberd 640 (754 in 1974/75) and included fishing vessels (196), local boats (192), freighters (110), yachts (85) and cruise ships (19). During the transitional period, 234 vessels utilized the port.
- 65. Ofu boat harbour, completed during the first part of 1975/76, is now used by both government and commercial interisland vessels. Plans and specifications were prepared in 1976 for other small harbour projects, on Ta'u and Aunu'u, with a view to beginning construction in 1977. The delegate-at-large to Washington, D.C. had previously requested congressional help in an effort to have the funds for the projects included in the budget for 1976/77. He had cited the hardships, loss of property and even lives suffered for many years by the 1,200 inhabitants of Ta'u, who have to pass through high surf and rough seas as their only means of access to ships moored outside the reef. Apart from safer and easier access to ships, it was hoped that a boat harbour would help to develop agriculture, tourism and other facets of the island's economy.
- 66. Subsequently, it was reported that the construction of Ta'u Harbor was to begin at mid-1976/77, and would cost \$US 2.3 million. The project was to be financed by the Army Corps of Engineers (\$US 2.0 million); the United States Coast Guard (\$US 12,000); and non-federal funds (\$US 298,000). Work on Aunu'u Harbor, approved for construction in June 1976, would be started when funds were available. That project is to cost an estimated \$US 1.6 million.
- 67. The Army Corps of Engineers has also initiated a detailed study of Auasi Harbor, at an estimated cost of \$US 952,000. Construction of beach erosion controls at Poloa, Vatia, Afono and Aoa was scheduled to be completed late in 1977 at a cost of \$US 817,992.
- 68. A comprehensive harbour study for American Samoa, authorized under section 143 of United States Public Law 94-587, will be undertaken by the Army Corps of Engineers at a cost of \$US 215,000, upon approval of its budget for 1977/78.

4. SOCIAL CONDITIONS

A. General

- 69. The water pollution control programme was continued in 1975/76 and through the transitional period, financed by a grant of \$US 76,000 from the United States Environmental Protection Agency (EPA) and \$US 19,000 in local matching funds. The activities of the programme include monitoring, enforcement, public participation, surveillance and planning.
- 70. An American Samoan who had completed an environmental intern programme became the first territorial government ecologist and is now in charge of the water pollution control programme. At the same time, the Environmental Quality Commission was reconstituted with the following members: the Special Assistant to the Governor as Chairman, the government ecologist, an executive secretary and an official from the Department of Public Health, the Department of Public Works and the Water Task Force. The Commission meets regularly to review progress on pollution control and the master plan for waste-water facilities developed by the Department of Public Works.
- 71. Village inspections were continued during the period under review in an effort to identify environmental problems as well as pollution-oriented activities. A survey of all sources of drinking water was begun late in 1975/76 and was to continue in 1976/77. Monitoring sites have been designated for 90 per cent of the village water supply systems as well as for the government water supply system.
- 72. Two government treatment plants and the canneries of the Van Camp Sea Food Company and Star Kist Samba, Inc., which had been issued permits by the National Pollutant Discharge Elimination System, were monitored during the year. The Environmental Quality Commission was to continue inspections of the canneries and the plants on a quarterly basis.

B. Labour

73. At the beginning of the transitional period, it was announced that the United States Department of Labor, after studying the results of hearings held on the subject, had established new minimum wage standards for the Territory, ranging from \$US 1.00 an hour for laundry and dry cleaning workers to \$US 1.64 for those in the petroleum marketing industry, the latter to be increased to \$US 1.79 within one year.

C. Public health

74. During the period under review, the name of the Department of Medical Services was changed to the Department of Health, inasmuch as the department was responsible for all public health programmes for the Territory as well as for diagnostic and treatment services.

- 75. In 1975/76, new additions to the medical staff of the Lyndon B. Johnson Tropical Medical Center included an anaesthesiologist, an obstetric and gynaecological specialist, a psychiatrist and an American Samoan graduate of the Fiji School of Medicine. The medical staff was further augmented by two specialists in internal medicine who worked for six months each on a voluntary basis.
- 76. In 1976, 12 students graduated from the School of Practical Nursing, which was transferred from the Department of Health to the Community College on 1 July 1976. Student nurses continued to receive clinical instruction at the Lyndon B. Johnson Tropical Medical Center.
- 77. From November 1975 to March 1976, the Public Health Division of the Department of Health, in conjunction with the World Health Organization (WHO), conducted surveys to detect tuberculosis, leprosy and high blood pressure. In July 1976, the tuberculosis and leprosy surveys were expanded to include the population of Manu'a.
- 78. On the main island of Tutuila, of the 24,335 registered residents three months of age and over, 22,431 (92.2 per cent) were examined for tuberculosis. The number of positive reactions was 2,900 (12.9 per cent). The results of the survey indicated that transmission of tuberculosis infection was low. Persons with positive reactions were required to have chest X-rays and chemoprophylaxis, according to the history of the findings on each patient.
- 79. The leprosy survey team screened 19,243 persons 5 years of age and over, and detected 6 new cases and 30 suspected cases. Contacts of known and suspected cases were kept under close observation by the Public Health Division.
- 80. The blood pressure survey team screened 5,975 persons 30 years of age and over. The total number of persons with elevated blood pressures was 1,183 (19.8 per cent). New patients suffering from hypertension now receive complete physical examinations.
- 81. In August 1975, a centralized immunization recording system was established and the active immunization of most children prevented a measles outbreak. Hepatitis and filariasis continued to be endemic. A passive surveillance from April to June 1976 of children born between 1965 and 1972 showed only 5 cases among the 2,261 children examined.
- 82. During the year under review, WHO awarded fellowships to several American Samoan personnel of the Department of Health for further education and training. Scholarships were also granted by the Government of American Samoa. One American Samoan medical officer returned from a four and a half year residency in surgery in Dunedin, New Zealand. Another obtained a master's degree in public health administration from Johns Hopkins University in Baltimore. An American Samoan registered nurse from the School of Practical Nursing completed a two-year fellowship in Arizona and received a Master of Science degree. Two practical nurses received training in midwifery,

one received training in public health nursing and two health inspectors received further training in Fiji.

83. In 1975/76, the total budget for the Department amounted to \$US 3.6 million (2 per cent less than 1975). During the transitional period, it received \$US 964.400.

5. EDUCATIONAL CONDITIONS

A. Primary education

- 84. During 1975/76, 5,961 pupils were enrolled in 26 public elementary schools in American Samoa, including 72 who were receiving special training. The schools were under the direction of 29 American Samoan principals and assistant principals, and were staffed by 243 regular class-room teachers. There were 1,457 pupils enrolled in private elementary schools.
- 85. Under the Early Childhood Education Program, 1,987 children from 3 to 5 years of age were enrolled at 145 centres in 46 villages, where 129 parents served as teachers under the direction of 15 supervisors.
- 86. During 1975/76, 9 of the 26 public elementary schools initiated a pilot bilingual/bicultural programme and the Hawaii English Project (HEP) was expanded from 3 to 9 elementary schools. HEP was introduced in American Samoa to avoid the separation of students according to their degree of fluency in English.

B. Secondary education

- 87. In 1975/76, 2,105 students were enrolled in four public secondary schools, under the direction of four principals and six assistant principals. There were 5 counselors and 11 regular class-room teachers, 78 of whom were American Samoan. Because of financial problems in the previous year, 13 fewer teachers were employed in 1975/76 than in the previous year. The number of teachers with at least a bachelor's degree dropped from 62.0 per cent in 1974/75 to 53.4 per cent in 1975/76. The number of certified teachers remained about the same (about 26 per cent).
- 88. The vocational training programme at the secondary schools was integrated with that of the Community College, by enabling the high school classes to utilize the Community College Skills Center at Tafuna.
- 89. There were 169 students enrolled in special education courses which required a staff of 33, 23 of whom were in tea hing and training positions. According to the report of the administering Power, the Division of Special Education made substantial progress towards its goal of providing appropriate educational services to all handicapped children in the Territory.

- 90. Two new programmes were added (one on communications and the other for severly and multiply handicapped children) and the ground-work was laid for a third programme in early childhood special education. Previously existing programmes including those for the deaf and hard of hearing and for the partially handicapped were continued and expanded.
- 91. Special educational programmes are supported entirely by federal grants which were increased in 1975/76 by 65 per cent over the previous year. In February 1977, it was reported that the first law of the Fifteenth Legislature signed by Governor Barnett established the 1977 American Samoa Special Education Act.
- 92. The Summer Program for Economically Disadvantaged Youths (SPEDY) was introduced in 1976 to provide summer jobs. The programme, which focuses on developing skills required for career jobs, was financed from \$US 27,973 allocated under the CETA, 1973. Under the programme, 250 youths were assigned to various government departments for four hours a day, five days a week for a total of nine weeks. Of the 250, 75 were high school graduates, 40 of whom were later hired by CETA.
- 93. In 1976, the CETA Off-Island Program provided the financing for seven students to attend institutions of higher learning abroad. Three of the students were working towards bachelor degrees in (education, business and civil engineering). The other four graduated at the end of 1975/76, one with a bachelor's degree in elementary education and three with master degrees (library science, public works administration and civil engineering). The CETA programme also provided manpower for projects on Manu'a during the period under review.
- 94. The Office of the Governor, as the prime sponsor for the Territory under CETA, submitted grant applications for federal assistance amounting to \$US 50,875 for 1976/77 as follows: \$US 18,170 to be used to maintain the State Manpower Services; \$US 2,829 for the administration of the State Manpower Service Council; and \$US 29,876 for the Vocational Education Projects Fund, to be distributed among 88 participants.

C. Higher education

- 95. The Community College which was established in 1970, received full accreditation in July 1976 from the Accrediting Commission for Junior Colleges of the Western Association of Schools and Colleges of the United States. The college now encompasses the main campus at Mapusaga, vocational trades facilities at Tafuna and a nursing complex at Faga'alu. The office of the President of the college has been given responsibility for the management of training programmes of the Department of Agriculture, the Department of Marine Resources and the Office of Youth.
- 96. Enrolment in 1975/76 was 836 (806 in 1974/75), including 443 part-time students. In addition, 25 high school juniors and seniors were enrolled in special courses at the college.

97. The 1975/76 budget included allocations of \$US 5.4 million for the Department of Education and \$US 713,000 for the Board of Higher Education.

CHAPTER XXII

(A/32/23/Add. 4)

GUAM

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CHAPTER XXII

GUAM

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, by approving the eightieth report of the Working Group (A/AC.109/L.1137), the Special Committee decided, inter alia, to refer the question of Guam to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1085th and 1086th meetings, on 8 July and 1 August.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly, inter alia, requested the Special Committee: "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:
 - (a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Special Committee also took into account General Assembly resolution 31/58 of 1 December 1976, by paragraph 10 of which the Assembly, inter alia, requested the Committee "to continue to seek the best ways and means for the implementation of the Declaration with respect to Guam, including the possible dispatch of a visiting mission in consultation with the administering Power ...".

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the Territory.
- 5. The representative of the United States of America, as the administering Power concerned, participated in the work of the Committee during its consideration of the item.
- 6. At its 1085th meeting, on 8 July, the Rapporteur of the Sub-Committee on Small Territories, in a statement to the Special Committee (A/AC.109/PV.1085), introduced the report of the Sub-Committee

(A/AC.109/L.1182) containing an account of its consideration of the Territory.

- 7. At its 1086th meeting, on 1 August, following a statement by the representative of China (A/AC.109/PV.1086 and A/AC.109/PV.1078-1107/Corrigendum), the Special Committee adopted the report of the Sub-Committee on Small Territories and endorsed the conclusions and recommendations contained therein (see pars. 9 below), it being understood that the reservations made by members would be reflected in the record of the meeting. Statements were also made by the representative of the Syrian Arab Republic, the Union of Soviet Socialist Republics and Czechoslovakia (A/AC.109/PV.1086 and A/AC.109/PV.1078-1107/Corrigendum).
- 8. On 2 August, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United States to the United Mations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

- 9. The text of the conclusions and recommendations adopted by the Special Committee at its 1086th meeting on 1 August 1977, to which reference is made in paragraph 7 above, is reproduced below:
 - (1) The Special Committee reaffirms the inalienable right of the people of Guam to self-determination and independence in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.
 - (2) Fully aware of the special circumstances of Guam, owing to such factors as its size, geographical location, population and limited natural resources, the Special Committee reiterates the view that these circumstances should in no way delay the speedy implementation of the process of self-determination in conformity with the Declaration contained in resolution 1514 (XV), which fully applies to the Territory.
 - (3) The Special Committee notes the co-operation of the administering Power concerned, in participating actively in the work of the Committee, thereby enabling the Committee to conduct a more informed and more meaningful examination of Guam, with a view to accelerating the process of decolonization towards the full and speedy implementation of the Declaration.
 - (4) The Special Committee expresses its appreciation for the assistance provided to the Territory by the administering Power and the International Red Cross to enable the people of the Territory to repair the substantial damage wrought by Typhoon Pamela. The Committee notes the steps taken to develop typhoon-proof facilities, including a power distribution system, and urges that this work

continue so as to minimize the effects of such natural disasters to the Territory.

- (5) The Special Committee notes that, on 4 September 1976. a political status referendum was held in the Territory in which a majority of those voting opted to remain a Territory of the United States with a separate constitution. As a result, in April 1977, 32 delegates were elected to a Constitutional Convention with a view to drafting a constitution for the future Government of the The Constitutional Convention, which will meet in July, Territory. is to finish its work by the end of October. The constitution will in due course be submitted to the people of the Territory for acceptance or rejection through an island-wide referendum. The Committee urges once again that the administering Power, in co-operation with the territorial authorities, continue programmes of political education among the people of the Territory so that all the options open to them consistent with the Declaration on the Granting of Independence to Colonial Countries and Peoples continue to be kept before them.
- (6) Noting the statement of the representative of the administering Power concerning the presence of United States military bases in the Territory, but above all mindful of the need for the people of Guam to be fully able to choose from among the options open to them consistent with the Declaration contained in resolution 1514 (XV), the Special Committee reiterates its strong view that the presence of United States bases on Guam should not be allowed to inhibit the people of the Territory from exercising freely their right to self-determination in accordance with resolution 1514 (XV) as well as the principles and objectives of the Charter of the United Nations.
- (7) The Special Committee notes the measures being pursued by the administering Power, in consultation with the people of the Territory and their representatives, to strengthen and diversify the economy of Guam. The measures cover education, training and health programmes; the development of tourism; the encouragement of new business and industry; and the development of natural resources. The Committee notes the increase in agricultural production and the stated aim of the Governor of the Territory to reach self-sufficiency in food production. The administering Power may also wish to examine the Governor's suggestion that Guam has potential for the development of commercial deep-sea fishing. The Committee considers that the establishment of a development bank could further encourage the growth of new economic activity. In this regard the Committee also notes the statement of the administering Power that the United States is aware of the need to diversify the economy of Guam in order to reduce economic dependence on the military installations in the Territory, and it urges the administering Power to intensify its efforts to that end.

(8) The Special Committee notes the positive attitude of the Government of the United States on the question of receiving visiting missions, and expresses the hope that the administering Power will accept an early visit to Guam by such a mission so as to enable the Committee to obtain first-hand information on the conditions existing in the Territory and to ascertain the wishes and aspirations of its people concerning their future.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*} Previously issued under the symbol A/AC.109/L.1169.

GUAM a/

1. GENERAL

- 1. Basic information on Guam is contained in the report of the Special Committee to the General Assembly at its thirty-first session. \underline{b} / Supplementary information is set out below.
- 2. In April 1973, the Guam Research Bureau reported that there were 70,331 civilians in the Territory and about 19,000 military personnel. According to the Immigration and Naturalization Office in Agama, about 18,000 aliens were residing in the Territory.
- 3. On 22 May 1976, the President of the United States declared Guam a major disaster area as a result of Typhoon Pamela which struck the Territory on 20 May 1976, killing three persons and damaging 80 per cent of the Territory's buildings. Damages were estimated at more than \$US 100.0 million. c/

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

4. The Territory is administered under the Organic Act of Guam, 1950, as amended, and is under the general supervision of the United States Department of the Interior. It is administered by a Governor and a Lieutenant-Governor and has a unicameral Legislature consisting of 21 representatives. All government officials are elected under a system of universal adult suffrage, applicable to persons 18 years of age and older. Although Guamanians are United States citizens, they are not eligible while resident in Guam to vote in national elections.

a/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United States of America under Article 73 \underline{e} of the Charter of the United Nations on 13 May 1977 for the year ended $\overline{30}$ June 1976.

b/ Official Records of the General Assembly, Thirty-first Se 3ion, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XXIII, annex.

c/ The local currency is the United States dollar (\$US).

B. Legislature

5. The Fourteenth Guam Legislature, which opened in January 1977, is composed of 13 Republicans and 8 Democrats. Ricardo J. Bordallo and Ruby Sablan, both Democrats, remain as Governor and Lieutenant-Governor.

C. Judiciary

- 6. In accordance with the Code of Civil Procedure of Guam, the judicial branch of the Government of Guam is under the jurisdiction of the Judicial Council of Guam whose membership consists of the Judge of the District Court as chairman; the Chief Judge and other judges of the Island Court; the Attorney General of Guam; the Chairman of the Judiciary Committee of the Guam Legislature; and the President of the Guam Bar Association.
- 7. The judiciary system consists of the District Court of Guam, which has the same jurisdiction as that of a United States court; and the Island Court, which has jurisdiction in all criminal cases not involving felonies, certain civil matters, marital relations, probate, land registration and special proceedings. Since January 1976, Guam has had a Supreme Court with appellate jurisdiction over local, non-federal issues, thus achieving the "judicial autonomy" enjoyed by the 50 states of the administering Power.

D. Future status of the Territory

- 8. On 9 July 1976, the Guam Legislature passed a bill calling for a political status referendum on 4 September 1976, to be held in conjunction with the Territory's primary elections. Voters were presented with five options concerning Guam's future political status: (a) to remain an unincorporated Territory of the United States; (b) to remain a Territory with a separate constitution; (c) to declare independence from the United States; (d) to vote for statehood with full rights of all other American states; or (e) to choose some other form of relationship with the United States. The voters were then asked to choose the plan, in their opinion, most beneficial for Guam.
- 9. On 4 September 1976, 20,004 people, or 74 per cent of the registered voters, voted in the referendum, of whom 17,607 voted for one of the five options. The results were as follows:

<u>Option</u>	Valid votes recorded	Percentage
(a)	1,586	9
(b)	10,221	58
(c)	1,004	6
(d)	4,185	24
(e)	611	3

- 10. Although sponsoring the referendum, the majority of the members of the Political Status Commission, a bipartisan group of 15, believed that Guam should continue as an unincorporated Territory of the United States but with a separate constitution and compact, more commonly called a Federal Relations Act, to set in writing the terms of Guam's relationship with the United States. They favoured that option because it would exempt Guam from certain trade and transportation laws which restrict the Territory's economic growth, while salvaging United States citizenship and federal benefits currently extend-d to Guam, benefits the Territory would lose as a state or an independent nation. Despite its position, however, the Political Status Commission was obligated, by law, to pursue the choice of the people of Guam on political status.
- 11. In explaining the meaning of the option chosen, the Political Status Commission said that it would permit Guam to continue its close relationship with the United States while seeking to improve portions of the Organic Act, which has been the basic law of the Territory since 1951. Guam would not be allowed to bargain away its right to receive federal grants-in-aid and to retain all federal income taxes paid on Guam. The ultimate improvement to Guam's status would have to be approved by its citizens in subsequent elections.
- 12. In 1976, the Political Status Commission received an appropriation of \$US 25,000 in order to achieve the following goals under an "improved political status" plan: (a) exemption of the Territory from the Jones Act, a maritime shipping law, and in-transit relations which prohibit some foreign carriers from landing on Guam; (b) amendment of provisions of tariff laws so that more merchandise produced in Guam could enter the United States duty-free; (c) exemption of the Territory from federal income tax provisions so that it could construct its own territorial income tax structure; (d) increasing from \$US 200 to \$US 400 the duty-free allowance for United States tourists leaving Guam, which would provide a substantial inducement for United States gravellers to visit Guam; (e) limitation of the number of resident aliens admitted to Guam; (f) control of the entry of non-immigrant aliens into Guam to prevent abuses of the system; (g) the return to Guam of all federally owned land if its use cannot be justified within five years; (h) limitation of the power of the Federal Government to acquire land on Guam so that only after all other possibilities have been explored could the United States acquire land; (i) suspension of the statute of limitations for one year, to enable complaints to be filed in the District Court of Guam concerning land acquired on Guam by the Federal Government after the Second World War; and (j) increased political autonomy from the United States, including separate constitution.
- 13. In September 1976, the United States House of Representatives approved a final version of the legislation to authorize the people of Guam and the United States Virgin Islands to write their own constitutions. Under the terms of the bill, each territorial legislature would be authorized to call a convention to write a proposed constitution. Members of the convention would be chosen according to local laws passed after the President of the United States had approved the legislation.

- 14. According to the bill, the Territory's constitution would provide for a republican form of government, a bill of rights, a system of courts, modification of those portions of the Organic Act relating to local self-government and consistency with the United States Constitution and other aspects of federal law. Following completion of the draft constitution, eac territorial convention would present the draft to the local governor for submission to the President of the United States who would have 60 days fromment upon it. On final review of the draft constitution, the United States Congress would submit the document to the qualified voters of the Territory concerned for their approval or rejection through a referendum, to be conducted under the provisions of local laws. Approval by a rajority of the voters would be required before the constitution became law.
- 15. Following a request made by the Political Status Commission, Fred Zeder, then Director of the United States Office of Territorial Affairs, was chosen by the United States Government to negotiate Guam's political status with the Territory's representatives.
- 16. During a ceremony attended by members of the Executive Branch and the Legislature, on 10 December 1976, the Governor signed into law a bill calling for the convening of a constitutional convention in 1977. Under the terms of the law, the convention is to provide Guam with its own constitution, which would replace the Organic Act of 1950. The document is to be drafted between 1 July and 31 October 1977 by 40 delegates who were elected on 16 April 1977. The constitution will be forwarded to the President of the United States who must send it to the Congress within 60 days for amendment and approval. Guam's voters must ratify the document.
- 17. Antonio B. Won Pat, Guam's non-voting delegate to the United States House of Representatives, has urged the President of the United States to allow United States Territories to have an official spekesman in the White House with the title of Assistant to the President for Territorial Affairs.

3. ECONOMIC CONDITIONS

A. General

- 18. In his State-of-the-Territory message on 26 January 1976, Governor Ricardo Bordallo stated that \$US 79.1 million would be infused into the Territory's economy during the 18-month period ending 30 June 1977. He also stated that of that amount, \$US 30.9 million was expected to come from private investments and the remainder from federal and local government sources. According to the Governor, private investments for that period would include establishment of a cement factory, a garment factory and fish farms.
- 19. Some experts have estimated that the island's crop, poultry, livestock and fresh fish industries could increase their total combined worth from the current value of about \$US 3 million to over \$US 12 million. The Governor's "Green Revolution" campaign (see para. 24 below) was expected to receive

the support of the economic sector and thereby sustain much of the progress already made in recent years. The recently increased air service by Air Nauru and Cathay Pacific was expected to increase the number of new visitors to Guam from the Asia-Pacific region.

B. Public finance

- 20. According to the United States Department of Defense, military expenditures on Guam totalled \$US 216.9 million in 1975, of which about 72 per cent (\$US 157.2 million) was spent for salaries of some 10,000 military personnel and nearly 6,000 civilian employees.
- 21. It was reported in the Territory's press that the budget for 1976/77 began with an estimated general fund deficit of \$US 64.3 million. The Sovernor ordered all departments to continue existing austerity programmes and to slash by 20 per cent their allocations already approved in the new budget. He also sent to the Legislature a "package" of suggested tax increases which could realize \$US 10 to \$US 12 million in additional revenue. The main budget bill, which was signed into law on 26 June 1976, included \$US 94.5 million for the executive and judicial branches of the Government of Guam for 1976/77.
- 22. On 20 September 1976, the United States House of Representatives adopted and sent to the Senate a bill authorizing \$US 136.0 million for repair and restoration work on Guam following the damage caused by Typhoon Pamela.
- 23. During November, the United States Department of Agriculture approved a grant of \$US 804,851 to the Guam Agricultural Experimental Station, for the promotion of fishing production, marketing, distribution and use of farm produce. The grant includes \$US 480,229 in federal funds matched by \$US 324,622 from the Covernment of Guam. In addition, the Government of Guam has been notified of the approval of a \$US 400,000 matching federal grant to construct an \$US 800,000 civil defence underground shelter next to Government House.

C. Agriculture and livestock

24. According to the Guam Annual Economic Review for 1975, agricultural progress in 1975 was spotty and generally showed little gain over the previous year in both total volume and production capacity. Calling for a return to the land and a certain degree of self-sufficiency, Governor Bordallo launched a "Green Revolution". Within this context, government assistance subsidized equipment in the form of services, seed stock, low-interest loans and crop insurance, was made readily avaisble to all who might have an interst in agriculture. In addition, exturity efforts to revive community interest in agriculture were directed towards resolving such basic problems as: (a) the limited number of agricultural workers; (b) the inadequacy of basic agricultural infrastructures, such as quality

- grading, irrigation, slaughterhouse facilities and access roads; (c) the limited availability agricultural land; (d) the inadequate system of production and distribution of agricultural goods and services; and (e) the limit-d administrative and financial capabilities.
- 25. Hydroponic farms continue to florish. These farms, which are protected in greenhouses from temperature variations, diseases and insects, yield crops as great as 15 times that of the average field; this type of fruit and vegetable production offers much promise on Guam, an area of limited and expensive land. Four greenhouses were in operation in the Territory during 1975 and two more were scheduled to be completed in 1976.
- 26. While self-sufficiency in agriculture has not yet been attained, officials of the territorial Department of Agriculture predicted that up to 32 per cent of produce consumed in Guam would be locally produced in 1976, and that prices of several vegetables would drop as supply increased.
- 27. Pork production recorded the highest gain (12 per cent), with a total output of some 377 metric tons in 1975. Beef production fell 10 per cent to 53 metric tons, and represented the worst performance. Poultry production increased very slightly. Poultry meats increased by 5.7 per cent to about 117 metric tons in 1975, while egg production increased by 2.6 per cent to 30 million. Fruit and vegetable production in 1975 also showed a very modest gain of 7.0 per cent, up 120 metric tons from the previous year's yield of 1,723 metric tons.

D. Fisheries

- 28. During the year under review, the fishing industry took several positive turns. Three tuna boats were due to begin experimental operation in April 1976. Research on the feasibility of using fish ponds continued to look promising. Work carried out to date indicates that aquaculture may become an important aspect of the Territory's long-term potential in the development of fisheries.
- 29. A fishing company formed by Vietnamese refugees, the Vietnamese Fishing Company, has been harvesting red snapper, red fish, parrot fish, barracuda, porgy, tuna and mackerel. The company catches have found a readily available local outlet, showing that there is a consumer preference for fresh fish. Future plans of the company include the construction of at least two 16-metre steel-hulled vessels for longer fishing trips.
- 30. In 1975, the Pacific Island Development Commission (PDIC), with the participation of Hawaii, Guam, American Samoa and the Trust Territory of the Pacific Islands, created the Pacific Tuna Development Foundation to develop tuna fishing in the Pacific. In mid-1976, three modern United States purseseine fishing vessels began testing and modifying the net fishing technique for the skipjack tuna resources of the Western Pacific. It is hoped that this project will pave the way for the establishment of a local tuna industry, including the construction of a tuna cannery, refrigeration facilities and related dockside services.

- 31. The Government's experimental fish-ponds, located in Talofofo, have shown that giant Malaysian fresh-water prawns can be grown to market size within six months and produce a yield valued at \$US 30,000 per hectare of pond. The success of an experimental eel pond will be determined after equipment is obtained to drain the pond so that a count of eels can be made.
- 32. The economic potentials of a fishing industry on Guam closely parallel those in agriculture. Although the 130 metric tons of fish caught in 1975 represented an increase of 44 per cent over the previous year, total production still remained several times below local demand. Exports of fish will have to remain in abeyance pending the availability of land near the Commercial Port for cannery and refrigeration facilities.

E. Tourism

- 33. As a major industry, tourism suffered a significant setback in 1975 as the flow of arriving visitors declined. The recession in Japan, cancellation in April of charter flights by Pan American Airways between Guam and Japan and unfavourable publicity concerning the Vietnamese influx into Guam contributed to the loss of tourist revenues. Alternate destinations such the Okinawa exposition and extremely competitive tours to Hawaii are also said to have contributed to the situation.
- 34. Tourism has probably generated direct employment for over 2,000 island residents. It is estimated that each tourist spends approximately \$US 370 on Guam for room, board, ground transportation and shopping. On shopping alone, each tourist spends an average of \$US 200, buying the many duty-free imports.
- 35. In 1975, the Legislature appropriated \$US 625,000 for the Guam Visitors Bureau operation, which were matched by \$US 125,000 in membership dues and in-kind contributions. The budget of \$US 750,000 was three times the amount made available in 1974. Steps being considered to help the tourist industry include the promotion of Guam as a gateway to nearby islands rather than as a single tourist destination; initiation of efforts to obtain matching funds from the United States Travel Service for projects of the Guam Vibitors Bureau; continued efforts to increase or improve present leisure-related facilities; development of a tourist-oriented public transportation system; expansion of the tourist market to include stop-overs for those travelling between the United States and Asia; and expansion of the tourist market to include families and older people not generally among Guam's visitors.
- 36. In 1976, the tourist industry showed a 16 per cent decrease in the number of visitors (205,436), 23 per cent below the peak year of 1974. About 70 per cent of the total number of visitors were from Japan, 10 per cent from North America, 8 per cent from other countries. A random sampling in 1975 indicated that tourists spent an average of \$US 400 while on Guam, with 33 per cent of the visitors staying for four days, 27 per cent from five to nine days, 19 per cent for two to three days, 12 per cent for more than nine days and 9 per cent for one day only.

4. SOCIAL CONDITIONS

A. General

- 37. According to a report from the Bureau of Labor Statistics of the Guam Department of Labor, some 4,140, or 25 per cent, of the estimated 16,560 families on Guam lived below poverty-income levels during 1975. The report stated that the <u>per capita</u> income for those families was \$US 2,823 and that the poverty incidence exceeded 30 per cent in families with eight members or more. The report also showed that the median family income in 1975 was \$US 11,379; about 2,500, or 15 per cent, of Guam's families had an income of more than \$US 15,000; and about 1,200, or 7 per cent, had an income exceeding \$US 30,000.
- 38. In November 1976, there were 4,765 aliens living in the Territory with temporary visas, including 3,152 persons from the Philippines; 1,605 from the Republic of Korea and Japan; and 8 from the Trust Territory.

B. Housing

39. During the year under review, the Guam Housing Corporation authorized the construction of 75 residential homes, requiring an outlay of \$US 1.6 million. The corporation also plans to finance the construction of 100 more homes at an average cost of \$US 25,000 per unit, or a total outlay of \$US 2.5 million during 1976/77.

C. Labour

40. In May 1976, the Territory's labour force numbered 27,300, a decrease of 800 or (2.8 per cent) over the previous year, including 3,600 unemployed persons (2,360 in the previous year). Excluded were non-immigrant aliens and military dependants living on military reservations. The Territory's over-all rate of unemployment in May 1976 reached the highest level recorded, rising sharply from 8.3 per cent in May 1975 to 13.3 per cent in May 1976. An important dimension of the unemployment problem is the length of time that a worker has spent without a job. The average duration of unemployment reached 12.4 weeks in May 1976, in contrast to 5.7 weeks in May 1975.

D. Public health

41. In February 1976, the government-operated civilian hospital had a budget of \$US 10.7 million and a staff of 614. Many renovations were initiated at the hospital during the period under review. A total of \$US 1 million was appropriated by Public Law 13-112 for improvement of existing facilities. The hospital was heavily damaged by Typhoon Pamela.

5. EDUCATIONAL CONDITIONS

- 42. School enrolment for 1976/77 totalled 27,272 (28,206 in 1975/76): 15,888 in the elementary grades (16,581 in 1975/76); 6,142 in the junior high schools (6,494 in 1975/76); and 5,242 in the senior high schools (5,131 in 1975/76). Some 10,285 students were enrolled at the University of Guam in 1975/76. The Department of Education employed 1,051 teachers in 1976 (1,324 in 1975).
- 43. During the year under review, the Department of Education began to integrate Chamorro studies into the curriculum at the elementary and secondary levels. The Chamorro Language and Culture Program was implemented in 16 public and 3 private schools, serving 3,284 intermediate grade students.
- 44. Local appropriations for the operations of the University in 1976 amounted to \$US 7.1 million, of which \$US 112,471 was transformed to the Personnel Lapse Fund, as required by law. Federal grants-in-aid totalled \$US 1.9 million. Full-time employees totalled 388 by the end of the fourth quarter of 1975/76. Damage to the University due to Typhoon Pamela was estimated at \$US 450,000. During the year, the University awarded 441 academic degrees (73 associate degrees, 249 bachelor degrees and 119 master degrees).
- 45. On 4 October 1976, the Governor of Guam signed a law making the University of Guam a public, non-profit corporation administered by a six-member Board of Regents. As a bill, the law had received faculty and student support. The law entered into force amid complaints that the Government's impoundment of 15 per cent of its budget might endanger accreditation. The new law prohibits the executive and legislative brances from impounding funds appropriated to the University and allows the Board of Regents to buy land, engage personnel, enter into contracts and borrow funds without the direct approval of the Government of Guam.

CHAPTER XXIII

(A/32/23/Add.4)

TRUST TERRITORY OF THE PACIFIC ISLANDS

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CHAPTER XXIII

TRUST TERRITORY OF THE PACIFIC ISLANDS

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, the Special Committee, by approving the eightieth report of the Working Group (A/AC.109/L.1137), decided, inter alia, to refer the question of the Trust Territory of the Pacific Islands to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the Territory at its 1086th and 1087th meetings, on 1 and 2 August.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly requested the Special Committee, inter alia: "To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular: (a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".
- 4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on developments concerning the Trust Territory. The Special Committee also had before it a written petition, dated 5 April 1977, from the International League for Human Rights (A/AC.109/PET.1266).
- 5. At its 1086th meeting, on 1 August, the Rapporteur of the Sub-Committee on Small Territories introduced the report of that Sub-Committee (A/AC.109/L.1187), containing an account of its consideration of the Trust Territory.
- 6. At its 1087th meeting, on 2 August, the Special Committee adopted without abjection the report of the Sub-Committee on Small Territories (A/Ac.109/L.1187) and endorsed the conclusions and recommendations contained therein (see para 8 below), it being understood that the reservations made by members would be reflected in the record of the meeting. The representative of the Union of Soviet Socialist Republics made a statement (A/AC.109/PV/1087).
- 7. On 2 August, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United States of America to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

8. The text of the conclusions and recommendations adopted by the Special Committee at its 1987th meeting, on 2 August 1977, to which reference is made in paragraph 6 above, is reproduced below:

- (1) The Special Committee reaffirms the inalienable right of the people of the Trust Territory of the Pacific Islands to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960. The Committee reaffirms the importance of ensuring that the people fully and freely exercise their rights in this respect and that the obligations of the Administering Authority are duly discharged.
- (2) Fully aware of the special circumstances of the Trust Territory of the Pacific Islands, owing to such factors as its size, geographical location, population and limited resources, the Special Committee reiterates its view that these circumstances should in no way delay the speedy implementation of the Declaration, which fully applies to the Territory.
- (3) The Special Committee continues to note with regret the refusal of the Administering Authority to co-operate with the Committee on this item by declining to participate in the examination of the situation in the Trust Territory. It calls once more upon the United States of America, as the Administering Authority concerned, to comply with its repeated requests that a representative be present at meetings of the Committee to provide vital and up-to-date information which would thereby assist the Committee in the formulation of conclusions and recommendations concerning the future of the Trust Territory.
- (4) The Special Committee notes with satisfaction that the Administering Authority has affirmed its intention to help the peoples of Micronesia to move swiftly towards a new political status based on self-determination, and shares the view expressed by the Trusteeship Council at its forty-fourth session 1/ that the people should be given the fullest opportunity to inform themselves about the future political status and constitutional alternatives open to them, including independence. In this connexion, it further notes the reaffirmation of the Administering Authority that it continues to desire to find in consultation with the Micronesians a mutually satisfactory basis for the termination of the Trusteeship Agreement by 1981. The Special Committee again seizes this opportunity to stress its view that the unity of the Trust Territory of the Pacific Islands should be preserved until it exercises its right to self-determination in accordance with resolution 1514 (XV).
- (5) The Special Committee reiterates its concern that the Administering Authority has still not implemented the Committee's previous recommendation that necessary regulations should be adopted which will make paramount the special interests of the Trust Territory vis-a-vis the international obligations of the Administering Authority, with the ultimate objective of restricting as far as possible occasions for the exercise of the power of veto by the High Commissioner. The Special Committee remains aware, in this connexion, that some of the difficulties associated with the use of the veto power result from the separation of powers between the legis ative and executive branches and that

^{1/} Official Records of the Security Council, Thirty-second Year, Special Supplement No. 1 (S/12390), para. 547.

these difficulties are further exacerbated because the latter function is exercised by an appointed rather than an elected Chief Executive.

- (6) The Special Committee is firmly of the view that the Administering Authority should give further consideration to preparing Micronesians to assume the highest executive functions. The Committee shares the view of the Trusteeship Council that a Micronesian should be promoted to the second most senior post in the executive branch.
- (7) The Specia' Committee notes the approval by the High Commissioner of laws authorizing district legislatures to draft charters for district governments. It also notes the creation of a new district, Kosrae, at the beginning of 1977.
- (8) The Special Committee shares the desire of the Trusteeship Council that the Congress of Micronesia be given greater influence with respect to the budget process. In this connexion, it welcomes the recognition of the Joint Committee on Program and Budget Planning of the Congress as the primary review body for the request for the annual grant addressed to the United States.
- (9) The Special Committee continues to regret the lack of significant economic development in the Trust Territory. The Committee welcomes the adoption by the Congress of Micronesia of the five-year indicative development plan and its approval by the Administering Authority. It expresses the hope that the Administration of the Trust Territory will adhere to the plan and that financial support, in particular, will be available for its implementation. The Committee reiterates its view that the provision of local credit facilities is essential to the economic development of the Trust Territory.
- (10) The Special Committee urges the completion of the land identification and survey work according to the time-table envissaged in order to provide complete and up-to-date records of land ownership as soon as possible.
- (11) With reference to statements by representatives of the people of Palau, among others, critical to the development of a super-port at Palau and noting further the commitments of the Administering Authority to study the possible effects of such an installation and, in particular, the promise not to approve its development if it is opposed by the people of Palau, the Special Committee endorses the Trusteeship Council's recommendation that the Administering Authority give careful consideration to the views of the Congress of Micronesia on this matter.
- (12) The Special Committee notes with satisfaction that the United Nations Development Programme has prepared a continuing programme of assistance to the Trust Territory and that three project requests have been transmitted to the United Nations Development Programme. It also notes with satisfaction that a request for assistance from the World Food Programme is being prepared.

(13) The Special Committee notes with satisfaction that the Congress of Micronesia continues to enjoy observer status at the Third United Nations Conference on the Law of the Sea and that such participation is expected to continue.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

Information on recent developments concerning the Trust Territory which was placed before the Trusteeship Council at its forty-fourth session, together with the supplementary information furnished by the Administering Authority to the Council at the same session, is contained in the report of the Trusteeship Council to the Security Council (14 July 1976-23 June 1977). a/

^{*} Previously issued under the symbol A/AC.109/L.1171.

a/ Official Records of the Security Council, Thirty-second Year, Special Supplement No. 1 (S/12390).

CHAPTER XXIV

(A/32/23/Add.5)

BERMUDA

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CHAPTER XXIV

BERMUDA

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, the Special Committee, by approving the eightieth report of the Working Group (A/AC.109/L.1137) decided, inter alia, to refer the question of Bermuda to the Sub-Jommittee on Small Territories for consideration and report.
- 2. The Special Committee considered the Territory at its 1079th and 1081st meetings, on 14 and 20 June.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly requested the Special Committee, inter alia,

"To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:

(a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Committee also took into account General Assembly resolution 31/52 of 1 December 1976 concerning four Territories, including Bermuda. By paragraph 9 or this resolution, the Assembly requested the Special Committee

"To continue to seek the best ways and means for the implementation of the Declaration with respect to Bermuda ... including the possible dispatch of visiting missions in consultation with the administering Power ...".

- 4. During its consideration of the Territory, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on the latest developments concerning the Territory.
- 5. The representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power concerned, participated in the work of the Special Committee during its consideration of the item.

- 6. At the 1079th meeting, on 14 June, the Rapporteur of the Sub-Committee on Smell Territories, in a statement to the Special Committee (A/AC.109/PV.1079), introduced the report of that Sub-Committee (A/AC.109/L.1157), containing an account of its consideration of the Territory.
- 7. At the 1081st meeting, on 20 June, following a statement by the representative of China (A/AC.109/PV.1081), the Special Committee adopted without objection the report of the Sub-Committee on Small Territories and endorsed the conclusions and recommendations contained therein (see para. 9 below), it being understood that the reservations expressed by a member would be reflected in the record of the meeting.
- 8. On 21 June, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United Kingdom to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

- 9. The text of the conclusions and recommendations adopted by the Special Committee at its 1081st meeting, on 20 June 1977 to which reference is me a in paragraph 7 above, is reproduced below:
 - (1) The Special Committee reaffirms the inalienable right of the people of Bermuda to self-determination and independence in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.
 - (2) Fully aware of the special circumstances of Bermuda, owing to such factors as its size, geographical location, population and limited resources, the Special Committee reiterates the view that these circumstances should in no way delay the speedy implementation of the process of self-determination in conformity with the Declaration contained in resolution 1514 (XV), which fully applies to the Territory.
 - (3) The Special Committee i most appreciative of the co-operation given to it by the United Kingdom of Great Britain and Northern Ireland, which contributes significantly to informed and effective consideration by the Committee of the Territories under its administration, including Bermuda. The Committee hopes that this attitude, as well as the provision of all the necessary assistance to the people of Bermuda, will pave the way towards the speedy realization of the objectives of the Declaration.
 - (4) The Special Committee welcomes the statement by the representative of the administering Power that his Government will respect the wishes of the peoples of the Territories under its administration, including Bermuda, for their own future in accordance with the principle of self-determination, and that it will not delay independence for those Territories which want it, nor force it on those which do not.

- (5) The Special Committee notes that in June 1976, the Opposition party introduced a motion for the appointment by the House of Assembly of a select committee to consider and report on the desirability or amending the Parliamentary Election Act, 1963, and that the motion was rejected on several grounds. Nevertheless, the Committee believes that a mechanism such as a joint parliamentary group drawn from the two political parties of the Territory would provide them with a forum for in-depth and rational discussion and for arriving at a meeting of minds on such an important issue.
- (6) The Special Committee considers it to be most important that the electoral system accurately reflect the wishes of the majority of Bermudians. The Committee further considers that measures may be necessary to ensure that the expatriate vote does n decisively influence the question of the future status of the Territory. The Committee notes from the statement by the representative of the administering Power that if there is to be a move by the Bermuda Government to seek independence, a constitutional conference attended by both the ruling party and opposition would be convened by the United Kingdom Government to determine the form of constitution under which Bermuda would become independent, and that review, and perhaps reform of, certain provisions of the existing Constitution relating to the right to vote would be on the agenda.
- (7) The Special Committee notes with satisfaction that the Government of Bermuda has proposed to undertake a limited census to update the information necessary for a review of electoral constituencies by a boundaries commission in 1979, as well as a new bill covering voter registration procedures and improvement of other aspects of the electoral process. The Committee congratulates the Bermuda Government on its approach to the question of independence by popular consultation, which is considered to be in keeping with the request previously made by the Special Committee to the United Kingdom to ensure that the people of the Territory be kept fully informed of all the options available to them in the exercise of their right to self-determination in accordance with resolution 1514 (XV). The Committee therefore looks forward to the publication by the territorial Government of its green paper on independence.
- (8) The Special Committee reaffirms its recommendation concerning the need, in regard to those Territories (including Bernuda) which have already gained a measure of self-government, to encourage the leading representatives of the parties, where possible, to present to its Sub-Committee on Small Territories their positions on all problems confronting their respective Territories, including matters relating to constitutional advancement, so that the Committee might better be able to discharge its responsibilities. In this connexion, the Committee, in view of the importance of a United Nations visiting mission having access to Bermuda, expresses the hope that the United Kingdom Government will find it possible to invite such a mission to the Territory in the near future, which would enable the Committee to acquire adequate first-hand information on the situation prevailing in the Territory and to ascertain the views of the people concerning their future political status.

- (9) The Special Committee is of the view that particular attention is needed to remedy the increasing incidence of crime in the Territory, and notes with satisfaction that the Bermuda Government has proposed the appointment of a commission to examine and report on the causes of crime and the effectiveness of punishment and treatment. The Committee believes that the establishment of such a commission will simplify the task of combating crime in the Territory and, more importantly, will eventually lead to "bermudianization" of the police. It expresses the hope that practical steps towards the establishment of the proposed commission will be taken as soon as possible.
- (10) The Special Committee expresses the hope that the presence of foreign military bases in Bermuda will not be an inhibiting factor in permitting the people of the Territory to exercise their right to self-determination in accordance with resolution 1514 (XV).
- (11) The Special Committee welcomes the measures so far by the Bermuda Government to ensure control by the people of Bermuda over the natural resources of the Territory and urges the administering Power, in co-operation with the Bermuda Government, to continue to evolve effective measures to guarantee the right of the people of Bermuda to own and dispose of the natural resources of the Territory and to establish and maintain control of their future development.
- (12) The Special Committee is pleased to note that, according to official statistics, Bermuda is enjoying a relatively low rate of inflation, rapid recovery in its economy and a resurgence of tourism. The Committee is also pleased to note that the territorial Government intends to authorize the expansion of small hotel properties owned and operated by Bermudians, and that, in 1977, a start will be made on the enlargement of the facilities for hotel training at Bermuda College, which should make available more Bermudians trained in hotel management. The Committee welcomes these measures aimed at further integrating local people into the mainstream of the Territory's economic life.
- (13) The Special Committee recognized that the Territory has attained a high level of prosperity but remains concerned that, owing to Bermuda's almost complete dependence on tourism and financial institutions, its economy is still vulnerable. The Committee believes that increased economic diversification would constitute the most effective means of maintaining economic stability and expanding employment opportunities.
- (14) The Special Committee notes with concern that, despite government efforts to promote agricultural development, farming, once a major industry, is no longer profitable, and that Bermuda now imports about 80 per cent of its food-stuffs from the United States of America. The Committee hopes that greater attention will be given to this particular problem so as to reduce the Territory's dependence on imported food-stuffs. In this regard, the Committee emphasizes the importance of establishing a viable fishing industry in Bermuda.

- (15) The Special Committee considers that, as part of its programme for economic diversification, the territorial Government should continue to encourage the establishment of light industries in Bermuda and should increase Bermudian participation in the management of new industries.
- (16) The Special Committee notes that the Bermuda Government is recording economic and social data relating to the unemployed to learn whether unemployment is confined to certain groups of workers or whether it is more widely based, and hopes that the administering Power will keep the Committee informed on the results of the census.
- (17) The Special Committee takes note of the assurance given by the representative of the administering Power that the new arrangements for financing the two hospitals in Bermuda will not prejudice the health services available to the population at large.
- (18) The Special Committee stresses the desirability of introducing reforms in the Territory's educational system, bearing in mind the need to provide equal educational opportunities to all Bermudians and to ensure that curricula are in keeping with the requirements and conditions of Bermuda.
- (19) The Special Committee notes that, owing to the shortage of well-trained Bermudians, managerial and technical skills continue to be furnished mainly by non-Bermudians. It expresses the hope that the Bermuda Government will be able to reverse this trend by providing adequate training facilities and by offering more scholarships for students training abroad, and that, as a result, a larger number of qualified Bermudians will become available to fill positions in the community at all levels.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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^{*}Previously issued under the symbol A/AC.109/L.1139 and Corr.1.

BERMUDA a/

1. GENERAL

- 1. Basic information on Bermuda is contained in the report of the Special Committee to the General Assembly at its thirty-first session. \underline{b} / Supplementary information is set out below.
- 2. At the last census, taken in 1970, the resident civil population of the Territory comprised 30,897 non-whites and 21,433 whites and others. Of the 52,330 inhabitants, 14,496 were foreign born (including 10,438 immigrants without Bermudian status). In mid-1975, the resident civil population was estimated to be 56,000.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. Constitution

- 3. An outline of the constitutional arrangements set out in the Bermuda Constitution Order, 1968, as amended in 1973, appears in an earlier report of the Special Committee. c/ Briefly, the Government of Bermuda consists of a Governor, a Deputy Governor, a Governor's Council, a Cabinet and a bicameral legislature. The Governor (Sir Edwin Leather), who is appointed by the Queen, remains responsible for defence, external affairs, internal security and the police. On these matters, he is required to consult the Governor's Council but does not have to accept the advice of its members. The Council consists of the Governor as Chairman, the Premier (J. H. Sharpe) and not less than two nor more than three other ministers (three at present) appointed by the Governor after consultation with the Premier.
- 4. The Cabinet consists of the Premier and at least six other ministers (11 at present). The Governor appoints the majority leader in the House of Assembly as Premier, who in turn nominates the other cabinet members (see also para. 35 below).

a/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 7 September 1976, for the year ending 31 December 1975.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXVII, annex.

c/ Ibid., Twenty-eighth Session, Supplement No. 23 (A/9023/Rev.1), vol. V, chap. XXIII, annex, paras. 5-14 and 22-25.

- 5. The legislature comprises a nominated Legislative Council and an elected House of Assembly. The 11 members of the Council are appointed by the Governor: 5 at his discretion, 4 on the advice of the Premier and 2 on the advice of the Opposition Leader (Lois Browne-Evans). The House of Assembly has 40 members elected by universal adult suffrage for a term of five years. The Territory is divided into 20 constituencies, each represented by two members in the House. To be qualified to register as an elector in a constituency, a person should: (a) be a British subject aged 21 years or over; (b) either possess Bermudian status or have been ordinarily resident in the Territory throughout the preceding three years; and (c) be ordinarily resident in that constituency.
- 6. In the general elections held on 22 May 1968 and again on 7 June 1972, the United Bermuda Party (UBP) won 30 seats and the Progressive Labour Party (PLP) the remaining 10. At the latest general election, which took place on 18 May 1976, UBP once more emerged as victor, although its majority in the House of Assembly was reduced (see paras. 30-36 below).

B. Local government

- 7. The capital city of Hamilton and the town of St. George's are each governed by a corporation, consisting of an elected major, alderman and councillors. Revenue is derived mainly from municipal taxes and charges for dock facilities. Elsewhere in the Territory, the unit of local government is the parish. Until the end of 1971, each of the nine parishes elected its own vestry annually, with power to levy taxes and manage local affairs. Under the terms of a bill which came into operation on 1 January 1972, the Government replaced the vestries with nominated and largely advisory parish councils.
- 8. It will be recalled <u>d</u>/ that towards the end of 1975, a bill to extend the franchise in the two municipal corporations was introduced in the House of Assembly. Under the bill, voting "syndicates" would be abolished; only owners and/or occupiers of properties would be allowed to vote; and elections would be held every three years instead of annually. Following a debate, the House decided to defer consideration of the proposed legislation until comments on the progress report to be prepared by the Government had been obtained.
- 9. In June 1976, the Government reported that another bill introduced in the Assembly to extend the franchise to all taxpayers in the city of Hamilton had been withdrawn for technical amendments.
- 10. Subsequently, in a speech announcing the Government's policies and legislative programmes, delivered at the opening session of the legislature on 29 October 1976, the Governor said that amendments would be reintroduced to the existing law on the municipalities which would revise the qualifications of those

d/ Ibid., Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXVII, annex, para. 8.

- eligible to register and vote in municipal elections in the two corporations, and would change the frequency of the elections.
- 11. During the recent election campaign, PLP had proposed, among other things, that elections in both the municipalities and the parish vestries should be based on the same electoral roll as that used in the general election.

C. Future status of the Territory

12. Information on this subject prior to December 1975 is contained in the reports of the Special Committee to the General Assembly at its twenty-seventh to thirty-first sessions. e/ Provided below is additional relevant information which has become available since that time.

Positions of the political parties before the 1976 election

- 13. On 29 December 1975, Mr. Sharpe, leader of UBP, was appointed Premier to succeed Sir Edward Richards, who had resigned for health reasons. At his first press conference on 23 January 1976, Mr. Sharpe stated, inter alia, that although the United Kingdom was prepared to continue to assume the obligations imposed on it by the Bermuda Constitution Order, 1968, as amended, it had become increasingly preoccupied with Europe, and increasingly beset with domestic problems. He added: "We will need to continue to constructively explore the pros and cons of independence, since there is little constitutional advance possible short of except on an interim basis. We will, therefore, have to reach some conclusions". On the question of associated statehood, he said that the United Kingdom was now "less than enthusiastic about the possibility of delegating authority but retaining responsibility because it does create some difficulties".
- 14. On 11 February, J. R. Plowman, Government Spokesman in the Legislative Council, presented a paper on constitutional reform to the annual conference of UBP. In the paper, he stated that a standing committee of the party's Parliamentary Group had been meeting for some time to consider Bermuda's constitutional status and any changes which might be made in the future.
- 15. Mr. Plowman, who had succeeded Premier Sharpe as chairman of the Group, further stated that, in reviewing the Territory's Constitution, questions relating to independence and electoral reform would have to be taken into consideration. He went on to say that:

"As a party, it has not been our policy to seek independence, but ... we must be prepared and ready to deal with events as they arise. It is

e/ For the most recent, see Official Records of the General Assembly,
Thirtieth Session, Supplement No. 23 (A/10023/Rev.1), vol. IV, chap. XXV, annex,
paras. 5-17; ibid., Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol.
IV, chap. XXVII, annex, paras. 9-24.

unlikely that independence in itself would bring material advantages - indeed it could add to our problems. We do have to recognize that the position of the United Kingdom has changed materially, and is continuing to change, especially in relation to its new membership of the European Economic Community (EEC) ... We have reached a stage in our political development which indicates that ... the time has come for us to develop a policy which in the long term will best serve the interests of Bermuda and Bermudians."

In response to a query during the conference, Mr. Plowman said that "the party does not have a policy on independence", but that "it should develop one to be ready in case the issue is forced on the island".

- 16. On 17 February, UBP released a statement replying to certain points raised by PLP. In its reply, UBP referred to the paper given at the conference in which it had been reported that the whole issue of independence had been under review for some time, adding that the party "has not sought nor are we seeking independence at this time".
- 17. In its election manifesto issued on 30 April. UBP declared that the people of the Territory were now in full control of their affairs, with the exception of certain matters reserved for the Governor (see para. 3 above). However, he was required to consult with the Governor's Council before making decisions. In that way, Bermudians fully shared in the formulation of policy connected with those matters. UBP re-emphasized that the advantages and disadvantages of full independence for Bermuda must be carefully looked into and that in a changing world, its people must be ready to deal with events as they arose. Believing that Bermuda should keep its options open, UBP declared that no decision on the question of independence would be taken until the electors had been fully informed.
- 18. In its platform, also released on 30 April, PLP announced that it remained dedicated to the revision of Bermuda's constitutional framework in order to prepare the way for independence. It called for a constitutional conference to examine with the United Kingdom Government what arrangements could be made for changes in voter eligibility and constituency boundaries. It further demanded a constitution which would provide for the development of Bermudians to the fullest. An important proposal put forward by the party was the establishment of a bipartisan committee to ensure a national consensus on such fundamental issues as citizenship and the vote.

Post-election decisions

19. On 9 June, at the first meeting of the new legislature, the Governor expressed the hope that amending legislation dealing primarily with economic matters would be completed before the summer recess. On the same day, however, Opposition Leader Mrs. Browne-Evans entered a motion in the House of Assembly which PLP hoped would result in the constitutional changes advocated by it. She moved that "this House appoint a Select Committee to consider and report on the desirability of amending the Parliamentary Election Act, 1963, with particular reference to those aspects of the Act desiring with the voting age, the three-year residential vote, electoral districts and the registration of voters".

- 20. In this connexion, it may be pointed out that PLP has consistently called for the lowering of the voting age to 18 years; depriving non-Bermudians from the Commonwealth of the right to vote after three years in the Territory; revising "gerrymandered" electoral districts; and making voter registration compulsory, with the register open all year round.
- 21. During the debate on the motion, Mrs. Browne-Evans recalled that the passage by the House of the Parliamentary Election Act of 1963 had ushered in the birth of political parties in the Territory. Noting that the provisions of the Act were incorporated in Bermuda's Constitution, she considered that the motion was not offensive to the Constitution. She also recalled that after "taining the approval of the legislature in late 1972, the territorial Gov mment had sought the concurrence of the United Kingdom Government in the constitutional amendments had come into operation in April 1973. f// She therefore believed that the best way to amend an act was to put it to a select committee.
- 22. In his comment on the motion, Mr. Sharpe said that it would be rejected by UBP on three grounds: (a) the motion was putting the cart before the horse; (b) the main issue of any constitutional conference held at London would probably be independence and the matters mentioned in the motion would naturally form part of the discussions; and (c) the Government was not prepared to abdicate its responsibility on such important matters of national policy to a select committee.
- 23. After the debate in the House of Assembly, the motion was defeated by a vote of 19 to 14.
- 24. In his speech of 29 October (see para. 10 above), the Governor stated that a new parliamentary election bill would establish a better procedure for voter registration; include a complete reregistration; provide for voter identification; establish standards for polling station facilities; and generally improve the many aspects of the electoral process. He further stated that since a boundaries commission was required by law to review electoral constituencies by 1979, the Government proposed to carry out a limited census to update the information necessary for that purpose. Concerning independence for Bermuda, he announced that the Government had given a commitment to examine and report to the people on the matter. He added that as the first stage in the process and as soon as the preliminary explorations had been completed, the Government intended to place a green paper on the subject before the legislature for discussion, and for the information and consideration of the people of Bermuda.
- 25. Opening the debate on the Governor's speech in the House of Assembly, Premier Sharpe said that there were two elements involved when considering any constitutional change. One was the internal element concerned with the right to vote, the voting age and 'he residential vote, as well as with the constituencies. The other was the external element of constitutional reform, and that was independence itself, involving areas for which the United Kingdom Government was finally responsible. According to Mr. Sharpe, the green paper would inform the House on the following matters: (a) how, in the event of independence, Bermudian interests could best be protected; (b) to what extent the Territory could best represent itself abroad; (c) how its defence could be guaranteed; (d) which international agencies it should join; and (e) what the new responsibilities would mean to Bermuda in terms of manpower and requirements. No mention was made of a date for the introduction of the green paper. Mr. Sharpe indicated that the

f/ For further information, see Official Records of the General Assembly, Twenty-eighth Session, Supplement No. 23 (A/9023/Rev.1), vol. V, chap. XXIII, annex, paras. 22-25.

- proposed legislation concerning parliamentary elections would "not attempt to review the qualification of an elector", but would rather "try and make voting as convenient as possible for those entitled to vote".
- 26. In reply, L. Frederick Wade stated that PLP would not accept moves towards independence until electoral reform had been implemented, giving Bermudians a constitution which would guarantee them "equality of the vote, equality of opportunity and equality before the courts and in business". He then drew attention to the decision taken by the recently adjourned PLP conference to set up a committee to produce more detailed plans concerning the party's views on independence.

Consideration by the General Assembly

- 27. In his statement before the Fourth Committee of the General Assembly on 28 October 1975, g/ the representative of the United Kingdom said that his Government's policy was to respect the wishes of the peoples of the Territories under its administration for their own future, in accordance with the principle of self-determination. This meant avoiding any delays in the granting of independence to those Territories which wanted it and not forcing it woon those which did not. In the case of Bermuda, the party which in the past had opposed independence now formed the Government, but some of its members had indicated that they did not have closed minds on the subject. It would be inappropriate for the United Kingdom Government to intervene in the political life of the Territory to ensure that Bermudians realized that they had a right to selfdetermination. The United Kingdom Government had not heard the last of the discussions on independence which had taken place during the recent election campaign. Even if that were not the case, the United Kingdom Government would not have the power to intervene, since the Governor's responsibilities were limited to defence, external affairs, internal security and the police.
- 28. At a public meeting held on 16 November, Premier Sharpe confirmed the points contained in the above-mentioned statement. Aware that association with the United Kingdom was not realistic or feasible (see also para. 13 above), he believed that "if there is to constitutional advance, it must be to independence". He pointed out the "Bermudians are divided and uncertain about this", and reaffirmed the Government's commitment to examine and report to the people on the question of independence (see also paras. 24-25 above).
- 29. At about that time, Mr. Sharpe learned that a draft resolution on four Territories (including Bermuda) had been introduced in the Fourth Committee, which would recommend, inter alia, that the economies of those Territories should be diversified in preparation for independence. He observed that the draft resolution applied to "underdeveloped islands, whereas Bermuda is really a fully developed unit". That did not mean, however, that the Government would not continue its efforts to promote economic diversification, primarily through the improvement and expansion of the agricultural and fishing industries (see paras.

g/ Official Record of the General Assembly, Thirty-first Session, Fourth Committee, 11th meeting, paras. 1 and 8.

54-57 below). The draft resolution was subsequently approved by the Fourth Committee and adopted by the General Assembly (resolution 31/52 of 1 December 1976).

D. General elections

- 30. In releasing his party's 1976 election manifesto on 30 April, Mr. Sharpe accompanied by three other ministers, told reporters that UBP intended to campaign in the forthcoming general election on its record over the past four years and to build on that record, if re-elected, to a position of power. The theme of the campaign was to be a working partnership between Bermuda's two facial groups.
- 31. On 23 April, the Central Committee of PLP, the other major contestant in the 1976 election, unanimously elected Mrs. Browne-Evans as its leader to replace Walter Robinson, who had decided to retire from politics. A week later, she introduced the party's platform, which placed particular emphasis on "time for change".
- 32. In addition to the constitutional future of the Territory (see paras. 1/ and 18 above), both parties also focused attention on certain other specific issues such as economic development, social stability, housing, health and social services, education and youth. Measures taken by the Government to deal with these issues are described in the appropriate sections of the present report.
- 33. According to the election results released on 19 May, UBP won 26 of the 40 seats in the House of Assembly; the remaining 14 went to PLP. Mr. Sharpe was reappointed Premier and Mrs. Browne-Evans was appointed Opposition Leader. (Previously, UBP had had a majority of 30 seats in the House.) Owing to a seat left vacant by the death of a UBP member of the House, a by-election was held on 21 September and the PLP candidate was declared the victor.
- 34. In 1976, there were 26,712 registered voters in the Territory, of whom 19,466, or 72.9 per cent, participated in the vote (77.2 per cent in 1972). UBP received 55.5 per cent of the valid votes cast (61.3 per cent in 1972) and PLP 44.4 per cent (38.7 per cent in 1972).
- 35. The present Cabinet consists of the Premier and 11 members of the legislature, 9 of whom are responsible for the administration of the following ministries: labour and immigration, finance, education, tourism, works and agriculture, health and social services, marine and air services and planning and transport. The tenth and elevanth are members without portfolios, one of whom continues to hold the post of Government Spokesman in the Legislative Council. In his speech of 29 October 1976, the Governor stated that the Ministry of Labour and Immigration would be retitled and reorganized to include matters normally assigned to a nome affairs ministry; job opportunities and training programmes would thus be better co-ordinated.
- 36. In the same speech, it was announced that the new Government had set itself an ambitious programme designed to inform the public on important issues, preserve law and order, maintain the "enviable" economic and social stability of Bermuda and generally enhance the quality of life for all Bermudians.

E. Internal security and the police

- 37. It will be recalled h/ that during a debate on the budget for 1975/76 held in the House of Assembly on $\overline{10}$ March 1975, Sir Edward Richards, then Premier, revealed that the Governor would delegate some of his constitutional powers in respect of the police to a member of the Cabinet. In his speech of 16 November 1976 (see para. 28 above), Premier Sharpe said that although the territorial Government remained committed to examining the question of independence and reporting thereon to the people of the Territory, the United Kingdom Government continued to be responsible for Bermuda's internal security and police service.
- 38. In his speech of 29 October 1976, the Governor stated that:

"The Government is seriously concerned about the increasing incidence of crime in Bermuda ... Any short-term measures which are necessary will be taken but, in order that the whole matter, in all its aspects, may be thoroughly studied, the Government intends that a commission be appointed to examine and report on the causes of crime and the effectiveness of punishment and trea ment. ... Bermuda has a police service of which it can be proud. It deserves the support and co-operation of the public, who are the ultimate beneficiaries of a stable society. ..."

- 39. During the debate on the Governor's speech, Premier Sharpe said that indictable crime in the Territory had increased by 40 per cent since 1970, a situation which he considered to be very serious. Although Bermuda was still a peaceful and law-abiding place, "this is the time to examine all aspects /of the matter/, to examine it now, before it gets out of hand". He added that the proposed commission would examine and report on the metter. The community itself and all revant organizations would have an opportunity to make representations. He also congratulated the police on their efficient methods of detection.
- 40. Mr. Wade replied on behalf of PLP that the party would support the proposed commission, provided that it covered a wide enough base, and was made up of broad-minded people with the relevant sociological and philosophical background. The party was disturbed about the Government's failure to "bermudianize" the police force, even though the Reserve Constabulary was staffed mainly by Bermudians. The party joined with the Governor and the Premier in commending those members of the force for their diligent approach to a difficult task.

F. Military installations

United States military bases

41. The two United States military bases (the Neval Air Station and King's Point Naval Station) occupy about one tenth of the total area of the Territory. As

h/ Ibid., Supplement No. 23 (A/31/23/Rev,1), vol. IV, chap. XXVII, annex, para. 5.

previously noted, 1/ in September 1975, Donald McCue, then United States Consul General in Bermuda, revealed that informal talks had taken place between the Governments of Bermuda and the United States over the possible return to the Territory of unused areas of land at the two bases. In his speech of 29 October 1976, the Governor stated that the talks were continuing.

42. The housing project being undertaken at the Naval Air Station at an estimated cost of \$B 10 million j/ was expected to be completed by mid-1977.

United Kingdom's naval presence

43. It will be recalled that until 31 March 1976, the United Kingdom maintained the West Indies Station on Ireland Island under the command of the Senior Naval Officer, West Indies, whose responsibility included Territories under United Kingdom administration in the Caribbean region. As part of an effort to reduce its defence commitments outside the North Atlantic Treaty Organization (NATO), the United Kingdom Government withdrew the Senior Naval Officer, West Indies, and ceased to deploy two frigates to the West Indies on a permanent basis as of that date. Since then, the representation of the Royal Navy in Bermuda has taken the form of a Senior Resident Naval Officer (Commander David Aldrich) in charge of the HMS Malabar. In a public statement made at Hamilton during the week ending 27 November 1976, Commander Aldrich said that among his responsibilities were co-ordination of NATO plans for the defence and support of the Territory and administration of the dockyard facilities on Ireland Island on behalf of the Commander-in-Chief, Fleet, at Northwood, Middlesex, England.

3. ECONOMIC CONDITIONS

A. General

- 44. In his speech of 29 October 1976, the Governor said that, compared with the economic background against which the legislature had been convened a year ago, the clouds of international recession were lifting and the recovery of the United States economy had been reflected in the Territory by the record tourist trade (the principal economic support), increased spending over a wide front and a general improvement in business and income. Most indicators in the United States and Bermuda suggested that although the recovery would be sustained, the rate of growth would be slower than had been considered likely. Confidence had returned but unemployment was still a problem and the rekindling of inflation a very real threat to economic stability. On the same day, the Government reported that the cost of living had risen by 2.3 per cent since August 1975.
- 45. During the debate on the Governor's speech, D. J. Gibbons, Minister of Finance, stated that the policies of the Bermuda Government were responsible for a lower rate of inflation than in the other countries. Some of those countries

<u>i</u>/ <u>Ibid.</u>, para. 25.

^{1/} One Bermuda dollar (\$B 1.00) was equivalent to \$US 1.00 in 1977.

had tried but failed to spend their way out of a recession. The Territory's economy had recovered very rapidly, not only because of the recovery in the United States, but because of active promotion of Bermuda abroad, and because its economic stability had resulted in further growth of international business, the second most important sector of the economy after tourism.

B. Policies and programmes

46. In his speech of 23 October, the Governor expressed the view that it was essential that the Government continue to control expenditure and restrain wages and prices. He stated that the hard economic and financial decisions taken by the last legislature meant that the only revenue measures necessary in the forthcoming session should be of a consolidating nature. It was against that setting that the Government intended in 1977 to follow well-defined policies and programmes designed to achieve steady progress. In that connexion, it was proposed to institute regular tripartite meetings with participants representing the Government, the business community and the labour unions. The Minister of Finance would preside at the meetings. The proposal (supported by PLP) was based on the belief that at such meetings the parties involved might be better informed as to the economic problems and future prospects of the Territory. Additional proposals made by the Governor concerning various segments of the economy appear in the relevant subsections below. In a general comment, Mr. Gibbons said that, over-all, implementation of the policies outlined in the Governor's speech would provide the Territory with a firm economic base and increase the real incomes of all Bermudians.

C. Tourism

- 47. In 1975, the total number of persons visiting the Territory decreased by 3.8 per cent to 511,385 (including 411,783 visitors arriving by air). According to a survey published by the Government in late 1976, tourist spending for 1975 totalled \$B 166.8 million (of which \$B 156.8 million represented expenditure by visitors arriving by air), which generated \$B 183.4 million in incomes to households. Just over half of territorial revenue (\$B 35.6 million) came from tourism. Of Bermuda's 26,000 available jobs, the industry created 7,000 directly and an additional 14,000 indirectly. Or the basis of the information provided by the Bermuda Hotel Association, the hotel industry experienced a net loss of \$B 2.1 million in 1975, compared with \$B 2.2 million in the previous year.
- 48. Government data showed further expansion of tourism in the first 10 months of 1976, when there were 495,001 visitors (including 397,419 visitors arriving by air), representing a 10.2 per cent gain over the corresponding period of 1975. Indications were that 1976 would be the best tourist year ever for Bermuda.
- 49. In his speech of 29 October 1976, the Governor stated that, inasmuch as the moratorium on further major hotel building was due to expire in 1978, the Government intended to engage the services of a consultant to examine the implications of hotel expansion after that date. In the meantime, it was the Government's intention to authorize expansion of small hotel properties owned and operated by Bermudians to replenish the number of guest beds lost in recent years by the closing of some of the small hotels. Moreover, the Government was

examining and would report on a capital works programme. Among the projects under consideration was a hotel training college.

50. During the debate on the Governor's speech, Mr. Gibbons, Minister of Finance, stressed that the implication of the building of major hotels had to be looked into in the best possible way, especially in terms of the pressures on peripheral services and the effect on the viability of the present hotels. He supported Mr. Sharpe's statement that both parties in the House of Assembly were broadly in favour of the scheme to construct a hotel training college, which would be self-financing.

D. Financial developments

- 51. The Bank of Bermuda, Ltd., the largest in the Territory, said in its annual report for 1975/76 that during the year, financial markets had generally experienced more stable conditions than in 1974/75; and that most of the world's major economies appeared to be gradually emerging from their difficulties. The Bank therefore looked forward to a period of steady economic growth for the next few years. It also said that during the year under review, its total resources had increased by \$B 76.0 million to \$B 596.0 million and its net income by \$B 898,827 to \$B 3.2 million. The growth in its assets and earnings had been achieved despite improved standards of liquidity, deposit security and services. During 1974/75 and 1975/76, the Bank of N. T. Butterfield and Son, Ltd., the second largest in the Territory, expanded its total resources from \$B 375.9 million to \$B 409.0 million, while its income decreased from \$B 11.2 million to \$B il.1 million. In its report for 1975/76, the Bank stated that during the year, earnings had been affected by a substantially lower rate of return on the employment of its liquidity, adding, however, that it remained in a strong position because of an 8.8 per cent increase in its total assets.
- 52. In public statements made between February and April 1976, the Minister of Finance pointed out that in 1975, the number of international companies registered in Bermuda had risen by more than 400 to 3,400. In particular, those operating in the insurance field had shown further growth. The stability of the economy and the "absence" of inflation were contributing factors in the growth of international business which was expanding at a compound rate of 15 per cent per year.
- 53. In his speech of 29 October 1976, the Governor announced that an independent survey would be carried out to review the effects of the possible expansion of international business in the financial sector. Meanwhile, legislation would be introduced to ensure adequate minimum standards for insurance undertakings and to license and regulate those non-resident companies currently permitted to operate under the Bermuda Immigration and Protection Act, 1956. During the debate on the Governor's speech, PLP representatives said the PLP had no intention of damaging international business, but considered that foreign companies should train Bermudians to fill some of the executive posts in those companies. Mr. Gibbons said that his Ministry would look into the question of the expansion of Bermuda's financial institutions and its effect on the present business community and on employment.

E. Economic diversification

Manufacturing

- 54. In a budget speech delivered to the House of Assembly on 27 February 1976, Mr. Gibbons stated that local manufacturers of carbonated, non-alcoholic beverages and liquor had received assistance in 1975, and that discussions were continuing on an application submitted by Bermuda Brewery, Ltd. in 1974 to establish a new brewery at the Dockyard. He added that the Government would continue to support local industrial concerns, but could not issue an over-all policy of blanket support to local manufacturers owing to their diversity and the wide range of their industrial production. He emphasized that any problems which did arise would have to be treated on their individual merits.
- 55. On 10 December 1966, the Government was reported to have approved in principle proposals for the new brewery, which could provide employment for about 60 persons. It was reported that the first step of Bermuda Brewery would be to draw up more detiled plans of the type of processing proposed with a view to satisfying environmental conditions.

Farming and fishing

- 56. In his speech of 29 October 1976, the Governor said that the Department of Agriculture and Fisheries would continue to assist farmers working with the recently reactivated Bermuda Farmers' Association, giving special attention to the planned production and marketing of local produce, the reduction of production costs through greater efficiency on farms and the improvement of government services to farmers. The Department would also continue to conduct research into improved marketing methods of local fish and work closely with fishing organizations. Earlier in that month, the Government announced that it had requested the United Nations Development Programme (UNDP) to provide an expert in computer programming and an expert in fisheries management and marketing.
- 57. A conference on the implications to western North Atlantic countries of the decisions reached by the Third United Nations Conference on the Law of the Sea at its fifth session k/ was held in Bermuda from 8 to 10 November. The meeting was attended by representatives from Bermuda, Canada, the Bahamas and the United States. The representatives considered the implications of the decisions that would be taken at the sixth session of the Third United Nations Conference on the Law of the Sea, to open at United Nations Headquarters on 23 May 1977. 1/ It was anticipated that the Conference would enforce the application of 200-mile economic and fishing zones. At the Bermuda meeting, James Burnett-Herkes, Assistant Director of Fisheries of Bermuda, stated that the Territory would benefit from a 200-mile limit, provided that it could develop the resources within that area. He added that Bermuda did not have the funds required for such development. However,

k/ See Official Records of the Third United Nations Conference on the Law of the Sea, vol. VI (United Nations publication, Sales No. 77.V.2).

^{1/} Ibid., vol. VII (United Nations publication, Sales No. 78.V.3).

a proposal for joint ventures to utilize the Territory's resources, e.g., fish stocks and mineral deposits, aroused considerable interest among the participants in the Bermuda meeting.

F. The environment

- 58. In 1974, m/ the Government introduced a development plan designed to preserve the Territory's physical beauty and natural environment. During the 1976 election campaign, UBP announced that a re-elected UBP Government would continue to be concerned with environmental problems, particularly the ecology of Bermuda's land and sea.
- 59. In his speech of 29 October 1976, the Governor stated that in order to further the above-mentioned plan, the Government was focusing its attention on the Boaz Island/Ireland Island area. A team had been established to examine the possibilities of development at the Dockyard. The public would be invited to become involved in the preparation of the study. He further stated that an overall study of government parks would be undertaken to ensure that such land was put to the best possible use and that efforts would be continued to improve conditions at the four authorized campaign sites. An investigation into the environmental quality of local waters was also under way. The data thus obtained would provide an accurate assessment of existing conditions, and a basis for measuring changes. Recommendations for corrective measures where such changes were detrimental to the marine environment would follow from the investigations.

G. Communications and other basic facilities

- 60. In 1976, the Government paid particular attention to the road and traffic systems, civil aviation affairs, sewage and waste disposal and water resources.
- 61. In late 1972, n/ the Government had issued a report on a survey of the Territory's roads and traffic problems. Among the steps taken on the basis of the report was a proposal to improve the bus system and complete a central bus terminal. In his speech of 29 October 1976, the Governor said that the Government was considering the construction of the bus garage, a project set forth in the capital works programme. Opening the debate on the Governor's speech, Mr. Sharpe pointed out that the two parties in the House of Assembly were broadly in favour of the project which would be self-financing.
- 62. In July 1973, o/ following talks between the Governments of Bermuda and the United Kingdom, it was agreed to initiate working party discussions on civil aviation and related matters, because Bermuda, among other things, wished to have direct representation with the United Kingdom and an effective voice in new civil

m/ Official Records of the General Assembly, Thirtieth Session, Supplement No. 23 (A/10023/Rev.1), vol. IV, chap. XXV, annex, paras. 42-44.

n/ Ibid., Twenty-eighth Session, Supplement No. 23 (A/9023/Rev.1), vol. V, chap. XXIII, annex, para. 46.

o/ <u>Ibid.</u>, <u>Twenty-ninth Session</u>, <u>Supplement No. 23</u> (A/9623/Rev.1), vol. VI, chap. XXIII, annex, paras. 48-49.

aviation agreements with other countries. The Governor stated in his speech that Bermuda was participating in the current United Kingdom/United States air agreement negotiations to protect Bermudian interests under the new bilateral agreement which would govern air services between the two countries and would include Bermuda. He added that the second phase of the pre-clearance facilities for United States Customs at the civil air terminal (the only airfield in the Territory), which had been scheduled to begin early in 1975, p/ was scheduled to be completed by mid-1977.

- 63. In his speech, the Governor said that the Government had embarked on a scheme to improve conditions at the Pembroke dump, by locating and extinguishing all underground fires. New equipment had been ordered which would dispose of horticultural and other combustible waste more efficiently, and arrangements were being made to channel sewage sludge into the Hamilton sewage system. During the lebate on the speech, Q. L. Edness, Minister of Works and Agriculture, informed the House of Assembly that work on the dump was progressing rapidly. He agreed that the Territory whould have a sewage treatment plant, but believed that it would be very difficult to find a location for the plant.
- 64. The Governor stated that the extraordinary drought conditions experienced from 1974 to 1976 and particularly in recent months had led to record demands on the Territory's water supplies. The damands were being met adequately and development of Bermuda's water resources would be continued to ensure that the supply would keep pace with requirements.

H. Public finance

- 65. In his speech of 27 February 1976 (see para. 54 above), the Minister of Finance stated that the Government intended to produce a balanced budget for 1976/77 through: (a) imposition of a tax to cover the cost of services rendered by the hospitals to certain sections of the community; and (b) restriction of departmental expenditure to a minimum consistent with the maintenance of efficient services. The Government also intended to reduce the public debt (estimated at \$B 24.7 million at 31 March 1976), as far as Bermuda's resources would permit, and establishment of a new programme budgeting system.
- 66. The budget estimates for 1976/77 showed a total expenditure of \$B 69.4 million (\$B 62.4 million in the previous year), including capital and special expenditures amounting to \$B 3.7 million. In accordance with the decision announced by the Government in November 1975 to defer the construction of a hotel training college and a bus garage, no provisions for these projects were made in the estimates. The total estimated expenditure for 1976/77 would include the following allocations: finance, \$B 13.9 million (including \$B 4.6 million for reduction and servicing of the public debt); education, \$B 13.2 million; health

p/ Ibid., Thirtieth Session, Supplement No. 23 (A/10023/Rev.1), vol. IV, chap. XXV, annex, para. 51.

- and social services, \$B 12.1 million; works and agriculture, \$B 9.3 million; police, \$B 5.9 million; tourism, \$B 5.4 million; transport, \$B 3.1 million; marine and air services, \$B 3.0 million; and labour and immigration, \$B 1.1 million.
- 67. Mr. Gibbons said that the present taxation measures should yield sufficient revenue to cover all the expenditure for the current financial year with the exception of the hospital subsidy. He recalled that in July 1975, q/a White Paper had been issued containing the Government's conclusions on a proposal subsequently made by the Government, he pointed out, a hospital levy of 1.5 per cent of salary or wages, divided equally between employer and employee, would be imposed on all employers and employees and those self-employed persons presently liable to employment tax. The new levy would also apply to employees of exempted companies, who would be assessed on a national salary of \$B 2.3 million annually. Despite opposition from PLP, the hospital levy legislation came into effect on 1 April 1976.
- 68. During the budget debate in the House of Assembly, Walter Robinson, then Leader of the Opposition, criticized the Government for continuing to raise more than 90 per cent of its revenue from customs duties and fees. He noted that "no attempt is made to remove time-worn inequities in the tax structure nor to remove the Government's confirmed policy of discrimination, by way of the heavier incidence which the system of taxation obliges the less fortunate to bear". He further noted that the only adjustment being made was "to introduce income tax for wage earners and salaried workers upon the pretext that it needs to subsidize the young, the aged and the indigent in respect of hospital services". He considered that the budget statement should give "some indication as to what fiscal steps the Government would take to curb locally generated inflation and to stimulate further economic growth and to relieve the country from the fear of continued recession and unemployment".
- 69. Replying, Mr. Gibbons stated that the Opposition Leader's statement had "no substance". He added that the Government had taken a lesson from the policies being pursued by certain industrial countries "in trying to buy their way out of recession by incurring enormous debts under which subsequent generations will be groaning".
- 70. Statements made by the two parties between May and November indicated that they continued to differ in regard to the question of public finance. UBP's present position was set forth in the Governor's speech of 29 October (see para. 46 above). On the other hand, PLP placed particular emphasis on the establishment of a "progressive" system of taxation to increase the taxas of those better able to pay more.

q/ <u>Ibid.</u>, <u>Thirty-first Session</u>, <u>Supplement No. 23</u> (A/31/23/Rev.1), vol. IV, chap. XXVII, annex, paras. 72-74.

4. SOCIAL CONDITIONS

A. Labour

Employment and immigration

- 71. The administering Power reports that approximately 500 persons were unemployed in 1975 out of a labour force of some 27,000. Nevertheless, owing to the shortage of well-trained Bermudians, managerial and technical skills continued to be furnished mainly by non-Bermudians. Employment by major industrial groups was as follows: hotel, 4,506; exempted companies, 2,795; Government, 2,528; and construction, 500. On the basis of the information provided by the Government, 576 persons were registered as unemployed at 30 June 1976. School leavers and the unskilled and untrained made up a considerable portion of the unemployed. The total number of persons on work permits was 8,000 in August (8,500 in 1975).
- 72. In September, the Government announced that in the following month, it would take a census to determine the extent of unemployment and to identify those genuinely unemployed and seeking work. It was hoped that by recording the economic and social characteristics of the unemployed it would be possible to learn whether unemployment was confined to certain groups of workers (e.g., in construction and related fields) or whether it was more widely based. The Government considered that such data was vital to its economic planning, including desicions concerning work permits as well as on building projects. The results of the census were expected to be available shortly.
- 73. According to the Governor, the Government recognized that unemployment remained a problem despite increased business activity. In addition to conducting the Immigration (see para. 35 above). In an interview held in late December, Mr. Sharpe asserted that the Government expected to complete reorganization of the Ministry in 1977. He also proposed to continue working for the improved integration of Bermudians into the mainstream of the Territory's economic life, a proposal similar to that made by PLP during the debate on the Governor's latest speech.

Industrial relations and the law

- 74. According to the report of the administering Power, there were seven registered trade unions in the Territory in 1975, of which three were employers' associations (with a total membership of 252) and four were workers' organizations (with a total membership of 7,292). The Bermuda Industrial Union (BIU) was the largest single labour organization, with a membership of 5,777. The number of work stoppages decreased from five in 1974 (involving 556 workers and 8,444 mandays lost) to two in 1975 (807 workers and 9,504 mandays lost).
- 75. It will be recalled that despite strong objections raised by PLP, the legislature passed the Labour Relations Act, 1975, in March of that year. Under the provisions of the Act, the Government established a Permanent Arbitration Tribunal with a non-Bermudian chairman and deputy chairman to "ensure an element of inpartiality" when called upon to mediate labour disputes. It will also be recalled that the dispute between the Public Transportation Board and BIU over the dismissal of four workers led to a territory-wide strike of bus employees on 21 November 1975. Eight weeks later, an arbitrator assisted the two sides in settling their differences.

76. According to more recent information, apparently employers favour, and workers criticize, the arbitration system. In its annual report for the year ending 30 September 1976, the Bermuda Employers' Council said that during the year, there had been increased interventions by third parties in labour relations, and that it "accepts the use of third parties to resolve certain disputes without strike or lock-out action". The Council also remarked that "a number of three-year collective agreements negotiated recently indicate an awareness by management and labour of the need for a stable climate in order to maintain and increase earnings in the tourist industry and the international company sectors of our economy". In a statement issued on 17 December 1976, BIU, among other things, reiterated its reservations about arbitration of labour disputes and called for a change in the Labour Relations Act in order to "restore collective bargaining freedom". Another view was expressed by Mr. Sharpe in a recent interview (see para. 73 above). He regarded the "not unsatisfactory resolution" of industrial disputes in 1976 as one of the Government's achievements.

B. Housing

77. During the 1976 election campaign, UBP and PLP both promised to improve the housing situation in Bermuda. Mr. Sharpe said that his party attached great importance to private home ownership and improvement. Since its establishment in March 1974, the Bermuda Housing Corporation (BHC), a statutory body, had provided assistance totalling over \$B 2 million. Sixty homes had been completed by Bermudians with that aid. In addition, some 167 housing units had been built and sold to Bermudians with government assistance. According to the Government, the results of the census taken in October 1976 and covering both unemployment and housing needs (see para. 72 above) would affect planning decisions on future housing development and would probably lead to changes in the Rent Increases Control Act which expired at the end of the year.

C. Health and social services

- 78. The Government has continued to stress the health and well-being of all the people of the Territory. There are two hospitals: (a) the King Edward VII Memorial Hospital (230 beds), a general hospital, providing specialist services and a 90-bed geriatric ward; and (b) St. Brendan's Hospital (170 beds), providing treatment for mental diseases. Eoth hospitals are administered by the Hospitals Board, which is responsible to the Minister of Health and Social Services. Medical care is also provided by private practitioners and three government health clinics. Although fees are charged to hospital patients, insurance for hospital care is compulsory for all workers and the newly introduced hospital levy (see para. 67 above) covers the cost of the services rendered by the hospitals to children under the age of 16 years and the indigent; persons over the age of 65 years pay 20 per cent of the cost.
- 79. The Hospitals Board recorded its first operating surplus of \$B 482,252 for the year ending 31 March 1976. Ward Young, Chairman of the Board, attributed the surplus to sound management and strict financial control and stated that it would enable the Board to maintain its present rate structure until the end of the calendar year. On 26 July, he announced an expansion scheme for the hospitals, to

cost \$B 3 million, which would be met from the private sector and with the help of fund-raising activities.

- 80. In his speech of 29 October, the Governor said that a significant portion of the resources of the Ministry of Health and Social Services was committed to the treatment of individual and social problems, many of which came to the attention of the Ministry after having reached an advanced stage. Ways of preventing problems affecting the health and welfare of individuals were being investigated. Furthermore, the Ministry would be responsible for a regular television programme geared to helping people deal more effectively with problems encountered in their daily lives. The Governor also said that the needs of the aged and handicapped had been identified by two recent surveys. As a result, a co-ordinator would be appointed to ensure that the resources of the private sector and the Government were used to meet those needs both efficiently and compassionately. Finally, the Governor announced that the Hospital Insurance Act, 1970, would be amended to provide for the compulsory insurance of all employed persons, including the self-employed.
- 81. During the debate on the Governor's speech, Mr. Wade, Deputy Opposition Leader, observed that the proposed television programme would be a start in solving family problems, and that efforts whould be made to provide adequate facilities in public buildings for handicapped people.

5. EDUCATIONAL CONDITIONS

A. General

- 82. Education is free and compulsory for all children between the ages of 5 and 16 years. The majority of schools in the Territory are maintained by the Government. At the end of 1975, primary education, covering the first seven years of schooling, was being provided by 18 government and 4 private schools, with an enrolment of approximately 7,000 pupils. There were nine government and five private secondary schools, with an enrolment of almost 5,000 pupils. The teacher-pupil ratios in the government primary and secondary schools were 1:25 and 1:15, respectively. Specialized institutions included 10 government-run pre-school nurseries, with 396 four-year-olds; 5 special schools prividing training for 220 children between the ages of 5 and 18 years; and a day-training centre and an opportunity workshop for handicapped children between the ages of 5 and 21 years.
- 83. Facilities for higher education were limited. The Bermuda College had three departments (academic studies, commerce and technology and hotel technology) and offered education at the tertiary level. In 1975, there were 550 atudents attending courses at the College. Owing mainly to controversy over its siting, construction of a hotel training college has been deferred. In his speech of 29 October 1976, the Governor announced that the Bermuda College Act, 1974, would be amended to provide specific borrowing powers to permit the necessary expansion of the college facilities.
- 84. Teacher-training facilities are unavailable in Bermuda, but the Government provides 75 teacher-training scholarships (\$B 2,000 a year for a maximum of three years) for students training abroad. The Government also provides over \$B 400,000 annually in scholarships and loans for students receiving post-secondary education abroad.

B. Positions of the two political parties

- 85. Statements made by the two parties and their leaders during and after the 1976 election campaign indicated that they differed extensively in their approaches to educational policy. Mr. Gibbons was one of the ministers accompanying Mr. Sharpe at a press conference held on 30 April, when UBP presented its election manifesto. With regard to the party's position on education, Mr. Gibbons said that the primary and secondary school system was now well established, and that the thrust in the future would be twofold to develop pre-school nurseries and the tertiary level of education. The nurseries were an important development as "children got a head start before entering the primary system and at that early level they best adapt to racial harmony". The Bermuda College would be developed further, particularly in the fields of hotel and commercial training. In a recent interview (see para. 73 above), Mr. Sharpe stated that one of the UBP Government's main objectives would be commencement of construction on a hotel training college in 1977.
- 86. In its platform, also issued on 30 April, PLP pledged thorough reforms of the educational system. Its main proposals were the following: (a) comprehensive schools should be established throughout the Territory to give every child an equal educational opportunity; (b) each school's curriculum should meet the needs of Bermuda; (c) private schools should be required to fulfil the minimum syllabuses drawn up by a curriculum development council, and should be subject to the same regulations and supervision as government schools; (d) facilities at the Bermuda College should be expanded to keep pace with the demands being placed upon it; and (e) government scholarships should be granted to all Bermudian students accepted at approved universities abroad.
- 87. At a public meeting held on 18 October, Austin R. Thomas, a PLP member of the House of Assembly, suggested open discussion in the media by teachers and other education specialists to highlight problem areas in the educational system. He noted that at the Territory's last census, taken in 1970, 15 per cent of the population aged 15 years of age and above had had less than seven years of primary education, while 70 per cent of the population aged 15 years and above had not passed secondary school examinations. He particularly stressed the need to introduce the educational reforms recently advocated by PLP.

CHAPTER XXV

(A/32/23/Add.5)

BRITISH VIRGIN ISLANDS, MONTSERRAT AND TURKS AND CAICOS ISLANDS

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CHAPTER XXV

BRITISH VIRGIN ISLANDS, MONTSERRAT AND TURKS AND CAICOS ISLANDS

A. CONSIDERATION BY THE SPECIAL COMMITTEE

- 1. At its 1060th meeting, on 31 January 1977, the Special Committee, by approving the eightieth report of the Working Group (A/AC.109/L.1137) decided, inter alia, to refer the question of the British Virgin Islands, Monterrat and the Turks and Caicos Islands to the Sub-Committee on Small Territories for consideration and report.
- 2. The Special Committee considered the item at its 1083rd meeting on 6 July.
- 3. In its consideration of the item, the Special Committee took into account the provisions of the relevant General Assembly resolutions, including in particular resolution 31/143 of 17 December 1976 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 12 of this resolution, the Assembly requested the Special Committee, inter alia,

"To continue to seek suitable means for the immediate and full implementation of General Assembly resolution 1514 (XV) in all Territories which have not yet attained independence and, in particular:

(a) To formulate specific proposals for the elimination of the remaining manifestations of colonialism and to report thereon to the General Assembly at its thirty-second session".

The Committee also took into account General Assembly resolution 31/52 of 1 December 1976 concerning four Territories, including Montserrat and the Turks and Caicos Islands. By paragraph 9 of this resolution, the Assembly requested the Special Committee:

"To continue to seek the best ways and means for the implementation of the Declaration with respect to ... Montserrat and the Turks and Caicos Islands, including the possible dispatch of visiting missions in consultation with the administering Power ...".

In addition, the Committee took into account General Assembly resolution 31/54 of the same date, concerning the British Virgin Islands, by paragraph 8 of which the Assembly requested the Committee:

"To continue the full examination of this question at its next session in the light of the findings of the Visiting Mission, including the possible dispatch of a further mission to the British Virgin Islands at an appropriate time and in consultation with the administering Power ...".

- 4. During its consideration of the Territories, the Special Committee had before it working papers prepared by the Secretariat (see annex to the present chapter) containing information on the latest developments concerning the Territories.
- 5. The representative of the United Kingdom of Great Britain and Northern Ireland, as the administering Power concerned, participated in the work of the Special Committee during its consideration of the item.
- 6. At the 1083rd meeting, on 6 July, in a statement to the Special Committee (A/AC.109/PV.1083), the Rapporteur of the Sub-Committee (A/AC.109/L.1172), containing an account of its consideration of the above-mentioned Territories. The Rapporteur also informed the Committee of a revision to the text of the draft conclusions and recommendations set out in paragraph 6 of the report, by which the following paragraph was added as subparagraph (7):
 - "(7) Mindful that recent visiting missions to small Territories have provided an effective means of ascertaining the situation in the Territories visited, and noting the willingness of the United Kingdom to receive visiting missions in the Territories under its administration, the Special Committee considers that the possibility of sending a visiting mission to the Turks and Caicos Islands and of sending a second mission to the British Virgin Islands and Montserrat at an appropriate stage should be kept under review."
- 7. At the same meeting, the Special Committee adopted the report of the Sub-Committee and endersed the conclusions and recommendations contained therein, as orally revised (see para. 9 below).
- 8. On S July, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United Kingdom to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

9. The text of the conclusions and recommendations adopted by the Special Committee at its 1083rd meeting, on 6 July 1977 to which reference is made in paragraph 7 above, is reproduced below:

1. General

- (1) The Special Committee reaffirms the inalienable right of the people of the British Virgin Islands, Montserrat and the Turks and Caicos Islands to self-determination and independence in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.
- (2) Fully aware of the special circumstances of those Territories, owing to such factors as their size, geographical location, population and limited natural resources, the Special Committee reiterates the view that these circumstances should in no way delay the speedy implementation of

process of self-determination in accordance with the Declaration contained in resolution 1514 (XV), which fully applies to the three Territories.

- (3) The Special Committee is pleased to note that it remains the policy of the Government of the United Kingdom of Great Britain and Northern Ireland to grant independence to a Territory if that is the wish of its people.
- (4) The Special Committee notes with appreciation the continued active participation of the administering Power in the work of the Committee in regard to these Territories, thereby enabling the Committee to conduct a more informed and meaningful examination of the Territories with a view to accelerating the process of decolonization towards the full implementation of the Declaration.
- (5) The Special Committee also notes with satisfaction the participation of the Governor and the Chief Minister of the British Virgin Islands 1/ in discussions in the Committee relevant to the report of the 1976 Visiting Mission to that Territory. 2/ The Committee continues to urge administering Power, in consultation with the local authorities of the Territories under its administration, in particular the British Virgin Islands, Montserrat and the Turks and Caicos Islands, to facilitate and encourage such participation by their representatives.
- (6) The Special Committee urges the specialized agencies and other organizations within the United Nations system, in particular the United Nations Development Programme, as well as regional organizations such as the Caribbean Community, including the Caribbean Common Market, and the Caribbean Development Bank to continue to pay special attention to the development needs of the Territories under review.
- (7) Mindful that recent visiting missions to small Territories have provided an effective means of ascertaining the situation in the Territories visited, and noting the willingness of the United Kingdom to receive visiting missions in the Territories under its administration, the Special Committee considers that the possibility of sending a visiting mission to the Turks and Caicos Islands of of sending a second mission to the British Virgin Islands and Montserrat at an appropriate stage should be kept under review.

2. British Virgin Islands

(8) The Special Committee notes the statement of the representative of the administering Power that the present Government of the British Virgin Islands

^{1/} A/AC.109/PV.1054 and corrigendum.

^{2/} Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXVIII, annex.

is committed to a period of consolidation of the constitutional advances attained in the recent past. As a result, an order incorporating a new Constitution came into force in April 1977, whereby responsibility for finance will pass from the Governor to an elected minister and whereby, after the next dissolution of the present Legislative Council in 1979, the number of elected members in the new Council will be increased from seven to nine and there will no longer be a nominated member. The Committee welcomes these steps, the implementation of which will make the Chief Minister of the Territory and his Government more directly accountable to the legislature and, through it, to the electors.

- (9) The Special Committee further notes that, in accordance with the statement of the representative of the administering Power 3/ it is the policy of the British Virgin Islands Government to take the next step from a ministerial system of government to full internal self-government or independence only after having consulted the electorate by means of a referendum or a general election.
- (10) The Special Committee further notes from the statement of the representative of the administering Power that the British Virgin Islands Government wishes to "localize" the public service as rapidly as possible and that, while the territorial Government does not consider it necessary to prepare a full manpower development plan, it intends, nevertheless, to undertake studies in specific areas. The Committee emphasizes the need for the training of cadres to fill positions in both the public and private sectors of the economy. In this connexion, it notes that the British Virgin Islands Government is continuing to provide loans and scholarships to assist its people to obtain training abroad in the various careers open to them.
- (11) The Special Committee reiterates its view that there is still a need for sustained effort by the administering Power, in consultation with the Government of the British Virgin Islands, to ensure that the Territory does not always have to rely on a single economic activity and investment in the fishing and tourist industries. The Committee also notes with satisfaction that the capital works programme has enabled the establishment of air links with neighbouring islands.

3. Montserrat

(12) The Special Committee, mindful of the recommendation of the 1975 Visiting Mission concerning the future status of Montserrat, 4/ notes the statement of the Chief Minister of the Territory, made at Plymouth in February 1976, in which he affirmed that he saw no merit in adopting a constitution prescribing associate statehood but that the Territory would continue with its present Constitution until some workable alternative emerged.

^{3/} Made at the 286th meeting of the Sub-Committee on 14 April 1977.

^{4/} Official Records of the General Assembly, Thirtieth Session, Supplement No. 23 (A/10023/Rev.1), vol. IV, chap. XXVIII, annex, paras. 101-124.

- (13) The Special Committee expresses its pleasure with the contacts that Montserrat is developing with neighbouring States of the region.
- (14) In this connexion, the Special Committee also notes with satisfaction the financial and technical assistance provided by the administering Power, the Government of Canada and by the Caribbean Community and other regional institutions. The Committee urges the administering Power, in particular, to maintain its development aid to solving the development problems and improving the economic conditions of Montserrat.

4. Turks and Caicos Islands

- (15) The Special Committee welcomes the entry into force of the new Constitution on 30 August 1976, and the election of the first Chief Minister of the Turks and Caicos Islands. The Committee reiterates its hope that the experience gained at this stage of constitutional development will enable the people of the Territory to increase their participation in the central organs of government and will point them towards the speedy attainment of the objectives of the Declaration contained in resolution 1514 (XV).
- (16) The Special Committee notes the emergence of political parties in the Turks and Caicos Islands and further notes that these parties contested the first elections to the new Legislative Council on 29 September 1976. It expresses the hope that political parties will grow in significance in the political development of the Territory.
- (17) The Special Committee reiterates the hope that the presence of foreign military bases in the Turks and Caicos Islands will not be an inhibiting factor in permitting the people of the Territory to exercise their right to self-determination.
- (18) The Special Committee notes the increased activity of the Development Board in 1976, during which it established a bank, built a hotel with local labour, expanded existing hotels and set up a fish-processing plant. Nevertheless, in view of the lack of resources and the small population of the Territory, it expresses the hope that attention will in future be paid to the further development of industries, such as fishing and tourism, which offer the greatest potential return.
- (19) The Special Committee remains convinced that there is an urgent need for the administering Power to assist the territorial Government in taking effective action in the fields of economic development, in particular by expanding the opportunities for local workers to find full, remunerative and productive employment at home.

ANNEX

WORKING PAPER PREPARED BY THE SECRETARIAT

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A. BRITISH VIRGIN ISLANDS*

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^{*} Previously issued under the sybol A/AC.109/L.1149.

BRITISH VIRGIN ISLANDS a/

1. GENERAL

- 1. Basic information on the British Virgin Islands is contained in the report of the Special Committee to the General Assembly at its thirty-first session. \underline{b} / Supplementary information is set out below.
- 2. The British Virgin Islands comprise about 36 islands and islets, of which 16 are inhabited. They cover a total of 152.8 square kilometres and lie about 96 kilometres east of Puerto Rico, and 225 kilometres north-west of St. Kitts. The most important islands are Tortola (54 square kilometres) on which the capital, Road Town, is situated, Anegada, Beef Island, Cooper Island, Jost Van Dyke, Peter Island and Virgin Gorda.
- 3. According to recent information provided by the administering Power, the final result of the census taken in 1970 showed a population of 10,484. Of this total, 8,676 lived on Tortola (3,500 in Road Town), 904 on Virgin Gorda, 269 on Anegada and the remainder on other islands. In 1976, a Boundaries Commission estimated the population at 11,055.
- 4. In response to an invitation from the Government of the United Kingdom, a United Nations mission visited the Territory in May 1976 and reported on its findings to the Special Committee. c/ On 17 September, the Special Committee adopted a resolution concerning the Territory, d/ in which it requested the administering Fower to take all necessary measures to expedite the process of decolonization in the Territory in accordance with the relevant provisions of the Charter of the United Nations and the Declaration on the Granting of Independence to Colonial Countries and Peoples; endorsed the view of the Visiting Mission that measures to promote the economic development of the British Vingin Islands were an important element in the process of self-determination; and further requested the administering Power, in the light of the conclusions and recommendations of the Visiting Mission: (a) to continue to enlist the assistance of the specialized agencies and other organizations within the United Nations system in the development and strengthening of the economy of the Territory; and (b) in consultation with the Government of the British Virgin Islands, to pay particular attention to the training of local qualified personnel.

a/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 16 June 1976, for the year ending 31 December 1975.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXVIII, annex.

c/ Ibid.

d/ Ibid., chap. XXVIII, para. 14.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. Constitution

- 5. The present Constitution of the British Virgin Islands was introduced in 1967 and amended in 1969, 1970 and 1971. The amendments of 1969 instituted residential qualifications for membership of the Legislative Council and for the registration of voters. In 1971, the title of Administrator was changed to that of Governor. Information concerning constitutional developments up to May 1976 is contained in the previous report of the Special Committee to the General Assembly. e/
- 6. Following the unanimous decision of the Legislative Council to recommend to the United Kingdom Government a number of proposals for constitutional change, the Legislative Council, the structure of Government remains the same, comprising a Governor appointed by the Queen, an Executive Council and a Legislative Council. The main changes introduced in the Order are as follows:
- 7. Under the new Order, which incorporates those proposals recommended by the Legislative Council, the structure of Government remains the same, comprising a Governor appointed by the Queen, an Executive Council and a Legislative Council. The main changes introduced in the Order are as follows:
- (a) The responsibility for finance would be transferred from the Governor to an elected minister. The Financial Secretary would cease to be a member of the Executive Council and the Legislative Council.
- (b) In the exercise of his remaining reserve powers (defence and internal security, external affairs, the civil service and the administration of the courts), the Governor would be required to consult with the Chief Minister. The Governor would consult with a newly established Mercy Advisory Committee in the exercise of the prerogative of mercy.
- (c) The elected members of the Legislative Council would be increased from seven to nine. The provision for a nominated member would be removed.
 - (d) The voting age would be lowered from 21 to 18 years.

The two latter provisions would come into effect at the next general election.

B. Future status of the Territory

8. The United Nations Visiting Mission held discussions on the future status of the Territory with the Governor and elected representatives in the Territory and with officials of the administering Power at London. The Mission's observations, conclusions and recommendations are set out in the previous report of the Special Committee. f/ Statements concerning the future status of the Territory were made by the representative of the United Kingdom and the Chief Minister of the British Virgin Islands at the 1054th meeting of the Special Committee on 10 September 1976 (A/AC.109/PV.1054 and corrigendum). The Governor of the British Virgin Islands was also present at the meeting.

e/ Ibid., annex, paras. 16-21.

<u>f</u>/ <u>Ibid.</u>, paras. 154-170.

- 9. During the course of his statement, the representative of the United Kingdom announced that the Government of the British Virgin Islands, through its legislature, had recently approved a motion calling for a number of proposals for constitutional progress, the most important of which are described in paragraph 7 (a) and (b) above. He added that, although the new Constitution had yet to be fully applied, the mood conveyed to the Visiting Mission had been one of determination to make cautious but steady progress, one step at a time, towards the full exercise of the right to self-determination. He said that it was up to the elected members of the Executive Council to decide on the future status of the Territory.
- 10. To clarify his Government's position, he made the following points. In the continuation of its adherence to the general principle of self-determination, the United Kingdom Government would grant independence, if a majority of the people of a Non-Self-Governing Territory wanted it. On the other hand, if they did not want it, for whatever reason, the United Kingdom Government would respect their views. He added that it was for the people of each Territory to determine their own future, in full freedom and in the light of their own interests. He stated further that his delegation was in full agreement with the recent statement of the Chairman of the Special Committee's Sub-Committee on Small Territories, in which he had spoken of the need to consider the particular interests of each of the remaining smaller dependent Territories considered by the Special Committee, and more generally the need for a fresh approach to their problems. There was also a need for a more flexible approach and a readiness to consider a whole range of constitutional solutions, provided that they reflected the wishes and interest of the people of the Territory in question.
- 11. It was the view of the United Kingdom Government that the transfer of responsibility for finance would mean that the British Virgin Islands Government would be in full control of its own development strategy. The United Kingdom Government would tontinue to provide aid and technical assistance, but responsibility would rest with the elected leaders of the people.
- 12. The representative informed the Special Committee that his Government would continue to provide budgetary assistance to the Territory as long as was necessary. Moreover, the United Kingdom Government was actively considering an amendment to its aid procedures whereby, any Territory achieving a surplus in a financial year for which it had anticipated a deficit and sought United Kingdom aid, would be able to retain part of the surplus for agreed additional expenditure.
- 13. At the same meeting of the Special Committee, the Chief Minister stated, inter alia, that his Government intended to operate under the new Constitution until 1980, the year of the next general election, and at that time would introduce a constitution giving full internal self-government to the Territory. Any further steps to be taken after the attainment of full internal self-government would be decided at a later date. He agreed with the report of the Visiting Mission, in which it was stated that the Government and people of the Territory had accepted the year 1980 as the target date for the attainment of full internal self-government. (It should be noted that the administering Power had stated to the Mission that a Territory should not remain at the stage of full internal self-government for more than 18 months.)

14. On 18 November 1976, the Legislative Council passed a motion, introduced by Ralph O'Neal, the elected representative of the Seventh District, including Virgin Gorda. The terms of the motion stated that basic constitutional changes altering the status of the Territory in relation to the United Kingdom should not be negotiated, declared or entered into, without the full knowledge or consent of a clearly expressed majority of the electorate. The Government was called upon to give a public guarantee that any basic or major constitutional changes, especially any fundamental change from a semi-colonial status to that of full internal self-government or independence, would take place only with the consent of at least two thirds of the people of voting age, as expressed in a referendum, or with the consent of the people, after having gone through the normal electoral processes of a general election. It recommended that the Government should consider incorporating into public law a provision that all important constitutional issues or amendments be decided by referendum.

C. Boundaries Commission

15. On 31 August 1976, the Legislative Council passed the following motion introduced by the Chier Minister:

"That in view of the anticipated increased in the number of elected members of this Council, His Excellency the Governor be invited to appoint a Boundaries Commissioner with the following terms of reference:

- "(a) To produce a fully defined division of the British Virgin Islands into nine electoral districts;
- "(b) Electoral districts are to be approximately equal in population except where in the Commissioner's opinion, it is desirable to disregard mere equality in number on account of special consideration such as natural community of interest, physical features, transport facilities and the practicality of members maintaining contact with electors in sparsely populated areas;
- "(c) To lay the Commissioner's report before this Council as soon as possible".
- 16. On 6 September, the Governor appointed as Boundaries Commissioner William Date, a national of Grenada and a former judge of the Supreme Court of the Windward and Legward Islands; Mr. Date was Boundaries Commissioner for the British Virgin Islands in 1966. T. A. Fahie, the Territory's Postmaster, was appointed Secretary to the Commission. Mr. Date arrived in the Territory on 19 October and travelled extensively throughout the Territory, holding gublic meetings and interviews and obtaining memorandums from interested persons and groups. He submitted his report to the Governor on 1 November.
- 17. On the basis of the report, only the First District would remain unchanged. Among the many significant changes, the Commission recommended that Virgin Gorda, Amegada and the nearby islands should be merged into one new district. It was recommended that the two additional districts called for the the Legislative Council (see para. 15 above) should be created from among the other six districts established in 1966.

18. On 29 December, the Legislative Council approved the recommendations of the Roundaries Commission.

D. Political parties and elections

- 19. At the time of the last general elections, held on 1 September 1975, only two political parties were active in the Territory: the United Party (UP), headed by Conrad Maduro; and the Virgin Islands Party (VIP), headed by Lavitty Stoutt. The two political parties and three independents contested the elections.
- 20. In the final results, the two parties each won three seats and Mr. O'Neal, an independent, gained the other seat. On 3 September, the Governor announced the formation of a coalition government, composed of members of UP and VIP, and reappointed Willard Wheatley (UP) Chief Minister. Two ministers were appointed to the Executive Council from among the eleted members of VIP. Following political realignments, it was reported later that month that Mr. Wheatley had become a member of VIP, with the consequence that the three government ministers were all members of VIP. A. Henley (UP) was later recognized as Leader of the Opposition. Oliver Cills and Mr. O'Neal (both independents) stated that they were not in opposition to the Government.
- 21. I early January 1977, VIP held a series of public meetings in various parts of Tortola to inform the public of the Government's operations during the past year; the current economic slump that the Territory was facing; and the forthcoming visit of represent tives of the territorial Government to London, to discuss matters related to the development of the Territory, including the required level of budgetary aid for 1977 and projected levels for the next two years. During the meetings, members of VIP pointed cut that the United Kingdom Government had announced its intention to reduce the proposed required budgetary aid level for 1977 and to eliminate completely such recurrent grants by 1979. Speakers at the meetings included the Chief Minister, the Minister of Communications, Works and Industry, the Minister of Natural Resources and Public Health and Dr. Q. William Osborne, the elected member for the Fifth District.
- 22. The Chief Minister stated that the current economic slump was part of the experience of any developing country. He expressed the view that the slump was a temporary situation and that the economy would soon take an upward turn. Among other tings, he stated that the delegation to London would define in clear terms the need for continuation of the level of budgetary grant-in-aid which was so vitally needed. In addition, the delegation would discuss a number of the important issues, including: the implementation of the Bacchus report on education (see para. 70 below); the Wickham's Cay loan, the level of development (capital) aid for 1977-78; the exempt bodies bill, which had been pending with the United Kingdom Government for some time; studies on exploration in the Territory for possible oil Jeposits; the need for a social security system; and the implementation of plans already submitted by the British Virgin Islands Government for construction of a new hospital. In concluding his statement, the Chief Minister stated that the Territory needed "harmony, not division for the work that lies ahead".

23. Other speakers outlined the Government's accomplishments during the past year in general, and those of their own ministries in particular. They contended that for the short time the Government had been in office, its record was substantial and in the interest of the public.

E. Other developments

On 18 November 1976, the Legislative Council approved a motion introduced by 24. Mr. O'Neal calling for a greated use of select committees. The motion noted that the Legislative Council d'd not sit continuously for any extended period of time nor even frequently or regularly; that members of the Council had only limited opportunity to influence the Government or to criticized its policies effectively; and that, in a democracy, the existence of an alternate group in the legislature was an integral and indispensable part of the workings of the Constitution. It noted further that in the United Mingdom, Members of Purliament spent time in unofficial party groups and official committees where much of the detailed business of Parliament was studied and discussed and that the Governmer , at the very earliest stages of the formulation of policy or the drawing up of ... w legislation, regularly consulted those interests which wight be affected. motion called on "the Chief Minister, as Leader of the House, to make greater use of the select committee procedure to initiate informal meetings of members for the prupose of exchanging views or taking soundings on matters of broad national importance and matters to which a non-partisan approach is possible or desirable". The three government ministers and the nominated member all spoke in favour of the motion. No one spoke against it.

F. Relations with the United States Virgin Islands

- 25. The United States Virgin Islands is a major centre of trade and employment for the people of the British Virgin Islands. Relations between the two Territories have alsays been good, owing to their geographical proximity and their stated economic interdependence, social interrelationship and institutional ties, in the formal sharing of certain services and facilities. On the basis of this relationship, the British Virgin Islands Government was recently able to have visa requirements waived for British Virgin Islanders entering the United States Virgin Islands (see also paras. 30 and 65 below).
- 26. The first British Virgin Islands-United States Virgin Islands Friendship Day was celebrated on 21 October 1972, when the Governor of the United States Virgin Islands, political leaders, government officials and representatives of various organizations were entertained in the British Virgin Islands by their counterparts. Celebrations are held in October of each year to commemorate Friendship Day, with each Territory acting as host on alternate years.
- 27. The Fifth Annual Friendship Day was celebrated on 30 October 1976 on Tortola, British Virgin Islands. The Governor of the United States Virgin Islands, the President of the Senate, members of the Legislature and representatives of community groups were greeted by the Governor of the British Virgin Islands, the Chiof Minister and members of the Executive and Legislative Councils. Visiting organizations and clubs were entertained by similar groups of the Territory. The group was reported to be the largest to visit the British Virgin Islands since 1972.

- 28. The highlight of the celebration was the official reception and lunchcon. During the course of the celebration, many speeches were made from both sides extolling the close bonds of friendship and solidarity between the two Territories. Some speakers looked forward to the time when the two groups of islands would become a single entry. The President of the Senate of the United States Virgin Islands Government both expressed the hope that the Inter-Virgin Islands Conference, which had been disbanded several years ago, would be reactivated in the immediate future. The Conference had been an effective means of discussing and working out problems of common interest to the two Territories. The next Friendship Day will be held in the United States Virgin Islands in October 1977.
- 29. During a speaking tour in the United States Virgin Islands in January 1977, the Governor of the British Virgin Islands states that the Territory should first achieve a viable economy before considering future constitutional independence or a link between the British Virgin Islands and the United States Virgin Islands, which would remain a possibility.
- 30. In a recent announcement from the Embassy of the United States of America in Barbados, it was stated that as a result of an amendment to the United States immigration law, which came into effect on 1 January 1977, the number of immigrant visas granted to nationals from the British Virgin Islands, Montserrat and the West Indies Associated States would be increased from 200 to 600 annually. The amended legislation also provides for the gradual conversion to immigrant status of the Caribbean nationals now residing in the United States Virgin Islands as bonded workers. As noted above, the United States Virgin Islands provides many employment opportunities for young British Virgin Islanders. There are approximately 6,000 British Virgin Islanders living in the United States Virgin Islands.

G. Relations with Commonwealth Caribbean countries

- 31. The British Virgin Islands were administered as part of the Leeward Islands o` the Leeward Islands was abolished. The Territory was given a separate Constitution under an Auministrator (see para. 5 above).
- 32. The Territory is not a member of the Caribbean Community (CARICOM), but maintains membership in the Caribbean Development Bank, a subsidiary organ of CARICOM, and other Commonwealth Caribbean organizations. It also participates in regional and multi-island projects of the United Nations Development Programme (UNDP) (see para. 64 below) and, in this regard, co-operates with other aribbean Governments.
- 33. In a national broadcast in October 1976, the Chief Minister stated that between 26 September and 3 October he had visited Barbados and Guy na, where he had held discussions with elected representatives including Forbes burnham, the Prime Minister of Guyana, and other government officials. Both Governments gave assurances that they would provide technical assistance in various aspects of education and training. During the course of his visit, the Chief Minister attended the General Meeting of the tenth Annual Caribbean Conservation Association at Georgetown.

H. Civil service

- 34. During its recent visit to the Territory, the United Nations Visiting Mission observed that the people and the territorial Government were concerned over the present state of the civil service. g/ The territorial Government had expressed its strong determination to localize the civil service, especially its higher echelons; it believed that with an accelerated training programme, local civil servants could be prepared to replace expatriate officers. The Mission recommended that a survey of skills needed in all sectors of the economy should be undertaken, to be used as a basis for the preparation and implementation of a manpower development plan. In its discussions with representatives of the United Kingdom Government at London on the question of the civil service, the Mission was imformed that it was the policy of the United Kingdom Government to replace expatriate officers with local staff as quickly as possible, provided that there were local candidates available with the necessary skills.
- In his speech on 28 October at the opening of the Legislative Council, the Governor stated, among other things, that the maintenance of an effective and efficient civil service was essential to the continued development and expansion of all public services and the implementation of projects designed to enhance the quality of life in the Territory. He said that the Government was resolved to continue its efforts towards staff training at all levels with a view to the eventual replacement of overseas personnel by qualified British Virgin Islanders. He said further that the need for training was becoming all the more important because of the increase in the number of quasi-governmental agencies, statutory bodies and other authorities and the increasing involvement of the Territory in negotiations and deliberations with regional bodies. He added that the Government had recently appointed a committee which included persons from outside the civil service, to "examine the manpower needs of the service and to prepare a programme of training to meet those needs over the next five years". The Governor noted that the Government was indebted to several donors who had provided financial assistance towards the award of direct scholarship or loans to students.
- 36. In the same speech, the Governor stated that a comprehensive staff inspection of all ministries and departments would shortly be undertaken by a regional organization and methods officer to advise on staff complements. gradings, salaries and other related matters.

3. ECONOMIC CONDITIONS

A. General

- 37. The economy of the British Virgin Islands depends primarily on tourism and other tourist-related activities such as real estate development and construction. Asriculture, livestock development, fishing and manufacturing are still relatively under-developed. During the period under review, the Government introduced policies and programmes aimed at diversification of the economy.
- 38. In the 1960s, the Territory experienced an economic boom which was followed by a decline between 1970 and the first half of 1973. An upward trend continued until early 1976, when the economy again entered a slump. In a statement at a political rally in early 1977, the Chief Minister said that a government delegation would soon be going to London to discuss with officials of the United

g/ Ibid., paras. 167-170.

King som Government a number of important matters, including aid and the economic development of the Territory (see also paras. 21-22 above). He also outlined the attempts of the Government to expand the industrial sector. At the same meeting, the Minister of Natural Resources and Public Health noted that world inflationary prices and a shortage of funds had been responsible for many of the hardships that the Territory was facing

39. In his recent visit to the United States Virgin Islands (see para. 29 above), the Governor of the British Virgin Islands outlined measures and efforts being undertaken by the Government to diversify the economy through the development of agriculture and livestock and the expansion of the manufacturing sector, including light industry. He said that the aim of the British Virgin Islands Government was to be able to balance its own budget by 1980.

B. Development planning

- 40. In his recent speech at the opening of the Legislative Council, the Governor outlined the policies and programmes of the Government for the forthcoming year. He said that, in appreciation of the need for sound development planning objectives based on advice from the community, the Government had decided to revive the Economic Development Advisory Committee. According to the Governor, the Government considered that, in the absence of a permanent development planning department, the re-establishment of the Committee was a step towards channelling and controlling development. He added that technical assistance for the Committee would be sought from international agencies.
- 41. The Committee, which was appointed in October 1976, held its first meeting on 21 February 1977. Its terms of reference are as follows:
- (a) In the light of the aspirations of the people of the British Virgin Islands as perceived by the Committee, to advise the Government on an order of priorities for socio-economic development over the period 1978-1981 and to produce within 12 months a draft development plan for the period, bearing in mind the constraints on the availability of funds for capital development;
- (b) To make recommendations to the Government on any project or aspect of socio-economic development that is referred to it by the Government or as the Committee thinks fit.
- 42. The Committee comprises a Chairman (McW. Todman), a deputy chairman (the Permanent Secretary in the Chief Minister's Office) and eight members, including two elected representatives of the Legislative Council.

C. Tourism

43. In a recent address to the St. Croix Public Information Association, the Governor stated that the tourist industry, the major contributor to the economy, had continued to grow at an average annual rate of 10 per cent. He said that more than 60,000 tourists had visited the British Virgin Islands in 1976, many of them on charter boats and cruise ships. Ninety per cent of the tourists came from North America and the Caribbean and less than 10 per cent from Europe.

- 44. During 1976, the Government, in a review of its role in the tourist industry, obtained the services of a consultant to advise on tourism policies and organization. His report was recently submitted and was expected to be valuable in deciding on improvements to the present structure for planning and implementing tourism policies.
- 45. During 1976, the Territory received extensive publicity in trade papers, newspapers and magazines. In addition, many overseas newspapers and magazines carried stories on the Territory because of its choice as the location for the underwater filming of the motion picture The Deep. The Tourist Board and the Hotel Association also arranged for travel agents and travel underwriters from the United States to visit the Territory. As a result of the success of these visits, it is planned to issue further invitations at more frequent intervals in the future. The Territory was also featured at a travel agents' convention at New Orleans.
- 46. During the year under review, the Government sought to increase the number of small cruise ships making the Territory a port of call; improved night lighting facilities at the Beef Island Airport; and introduced legislation to regulate the taxi industry. The Government also continued to provide loans and scholarships to enable British Virgin Islanders to obtain training abroad in various aspects of the industry.

D. Land development

- 47. The total land area in the Territory is estimated at 15,260 hectares. Private ownership accounts for 9,140 hectares and 6,120 hectares are owned by the Crown. Land matters continue to be the responsibility of the Ministry of Natural Resources and Public Fealth. In his recent speech, the Governor announced that a document embodying the proposals of the Government for the efficient use of Crown land would soon be released. Amendments to the Alien Land Holding Regulation Act and the Land Surveyors' Ordinance were expected to be completed during 1976.
- 48. During the first eight months of 1975, 21 licences were issued to enable aliens to purchase small parcels of land with existing houses or for the construction of dwelling houses, with a total development commitment of \$US 200,000 h/ to be spent within two-year periods, on the average. One licence was issued to authorize the purchase of shares and debentures in a land-holding company, and one to buy land for economic development. Registered land dealings increased from 847 in 1974 to 1,347 in 1975. The steady increase in the number of land subdivisions over the past year was expected to continue.

E. Agriculture, livestock and fishing

49. The subsectors of agriculture, livestock and fishing remain largely underdeveloped. Farming is on a small scale, the average holding being about seven

h/ The local currency is the United States dollar (\$US).

hectares. The main crops produced include a small amount of sugar cane (used locally for the production of rum), limes, coconuts, bananas, fruits, vegetables and root crops. Food-stuffs make up the largest portion of imports, while agricultural exports are minimal.

- 50. The major factors hampering the development of subsectors are climatic, topographical and soil conditions, limited credit facilities, the high cost of labour and a lack of properly organized marketing. With regard to the improvement of marketing conditions in the Territory, the Governor informed the Legislative Council that as a result of discussions held with advisers of the British Development Division in the Caribbean, fisheries legislation and legislation to permit the formation of co-operatives would be introduced in the near future. The Government would also place more emphasis on training in agricultural, livestock and crop sciences, agricultural extension and marketing and the development of marine sciences and fisheries. Livestock production and breeding programmes continued throughout the year. Plans have been made to subdivide and fence the Paraquita Bay Agricultural Station for agriculture and livestock production.
- 51. In reply to a question in the Legislative Council in November, the Minister of Natural Resources and Public Health, who also holds the portfolio for agriculture, said that the Government planned to build an <u>abattoir</u> to deal with the seasonal surplus of cattle. Attempts to find ways and means of exporting the surplus were proving far more difficult than had been anticipated because of the import requirements of the United States Virgin Islands and other Caribbean countries. The Government had held discussions with the relevant authorities in the United States and in the United States Virgin Islands with a view to modifying the regulations governing the import of cattle for direct slaughter. It had held similar discussions with officials of the Governments of Guadeloupe and Martinique. Meanwhile, the Government was studying the possibility of expanding the facilities at the Paraquita Bay Stock Farm to re-institute the holding of a limited number of animals to ease the burden of farmers until the <u>abattoir</u> became operational.

F. Anegada and Wickhams Cay developments

52. Information concerning the Anegada and Wickhams Cay developments prior to May 1976 is included in the previous report of the Special Committee. 1/ Briefly, the development of the island of Anegada and the Wickhams Cay portion of Tortola as tourist, residential and commercial complexes has been an active government policy since 1971. A serious setback in the development of Anegada occurred in 1974 with the collapse of the Anegada Development Corporation, Ltd., following the liquidation of its parent company, and development plans were shelved. In a memorandum submitted to the Mission during its visit to Anegada, it was stated that although the people of Anegada depended on fishing and livestock for their livelihood, marketing conditions for both were under-developed. 1/ Furthermore, migration of the young had reduced the population from about 400 to 165. The

^{1/} Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/32/23/Rev.1), vol. IV, chap. XXVIII, annex, paras. 50-54.

j/ <u>Ibid.</u>, appendix XI.

encouragement of foreign investment was seen as a solution to their problems since it would provide employment and a ready market for local products.

- 53. On 18 August 1976, the Chief Minister, in a reply to a question in the Legislative Council, recalled that in 1975 Lawrance Rockefeller had commissioned the Islands Resources Foundation to "prepare a proposal for an integrated resource study and environmental management" for Anegada, which was "to be combined with an in-depth survey of Anegada's population and the people's skills and ambitions". The objective of these studies was to make recommendations for the Government's consideration, which, if implemented, could lead to increased opportunities for the island. Thus, the studies were not, as had been supposed, a prelude to large-scale investment by Mr. Rockefeller. According to the Chief Minister, the Government had "confidential interim status report" on the progress thus far.
- 54. The development of Wickhams Cay continued to proceed along the lines proposed in 1972 by consultants engaged under United Kingdom technical assistance auspices, which included the following: (a) to development Cay as a nucleus of shopping, commercial and entertainment activities; and (b) to make land available in a variety of plot sizes for industrial development projects. A sound infrastructural and beautification programme was also to be carried out. The Wickhams Cay Development Authority was established in March 1975 and by early 1977 a number of enterprises were in operation.
- **55.** Among the major developments affecting Wickhams Cay during the period under review were the following. In June 1976, the Mooring Company, Ltd., was reported to be negotiating for three plots on the Cay for the purpose of setting up a yacht marina. Wickhams Cay already has the largest marina in the Caribbean area. In the same month, the Government announced that it was considering a scheme whereby British Virgin Islanders of limited resources would be given financial assistance in order to become involved in the development of the Cay. To finance the scheme, an allocation of \$US 400,000 had been appropriated by the territorial Government for expenditure in 1977 and the British Development Division in the Caribbean had been approached to provide funds at a reasonable rate of interest. In this connexion, the Wickhams Cay Local Participation Project, involving 15 participants, as established and, in January 1977, met with government authorities to discuss 10 per cent of the capital value of the enterprise. second phase of the infrastructural programme had been cortinued during 1976 with the aid of a grant of \$US 391,235 from the British Development Division.

G. Industrial development

56. Industrial development remains a major aspect of government policy. During the period under review, the Government made many attempts to attract overseas investors and to promote investment by local entrepreneurs. In his recent speech to the Legislative Council, the Governor stated that the Government was making every effort to encourage the establishment of light industry the Territory and, in that regard, it preposed to amend the industrial incentive egislation in order to ensure a more planned approach to industrial development. He informed the Council that between January and October 1976, 48 new trade licences had been issued, mainly to British Virgin Islanders, which, he said, was a good indication that there was an increasing participation of "belongers" in the development of

the Territory. He added that he provisions of the present Trade Licence Ordinance were inadequate and that more regulatory measures were needed. In November, the Minister of Natural Resources and Public Health stated that pioneer status had been granted to a motor vehicle assembly plant, camping facilities and a manufacturer of fibre glass products. Eight inquiries had been received from businesses wishing to establish light industries in the Territory.

H. Exploration and mining

57. With regard to the effective control and management of the Territory's natural resources, the Governor stated that the Government intended to amend the Petroleum Mining Ordinance and to introduce petroleum tax legislation early in 1977, in order to expedite the processing of applications from several companies interested in the exploration for oil and gas in offshore waters. The Government was also reviewing the Territory's mining regulations, as well as an application for copper prospecting.

I. Communications and other basic facilities

- 58. Details of communications and basic facilities are contained in the previous report of the Special Committee. \underline{k} / The road improvement programme continued in operation during the period under review.
- 59. Among improvements carried out at the Beef Island Airport were the construction and equipping of a new control tower and the installation of a permanent lighting system which will enable the airport's operational hours to be expended beyond dusk. The Government proposed to extend and surface the parking area to accommodate the increasing number of locally based aircraft; provide a holding bay to expedite the moving of air traffic; and resurface the runway. There are airstrips on Virgin Gorda and on Anegada. Schaduled air services to the Eastern Caribbean, Puerto Rico and the United States Virgin Islands are provided by Air B.V.I. and Prinair. In addition, there are a number of air taxis and charter aircraft. In the latter half of 1976, it was announced that 50 per cent of the shares in Air B.V.I. would be made available to residents of the British Virgin Islands and employees of the company.
- 60. Electricity consumption continued to grow during 1976. A new 1,190-kilowatt diesel generator (costing \$US 400,000) was installed, which, together with the other generating plant, was intended to ensure maximum efficiency and security of supply. The Government proposed to introduce legislation to convert the Electricity Department into an autonomous statutory body with full responsibility for its day-to-day operations, subject to government regulation.

k/ Ibid., annex, paras. 58-62.

J. Public finance

- 61. Details of the 1976 budget estimates are contained in the report of the United Nations Visiting Mission. 1/ Briefly, recurrent revenue amounted to 5.9 million (11 per cent higher than 1975) and recurrent expenditure to \$US 6.6 million (an increase of 10 per cent). Over 50 per cent of the increase, or \$US 380,000, represented a cost-of-living allowance payable to government workers. The estimated deficit amounted to \$US 734,148. The options open to the Government were: (a) to approach the administering Power for an increase in budgetary aid, which, according to the Chief Minister, would run counter to the policy of the present and previous Governments to reduce its dependence on grantsin-aid; or (b) to introduce appropriate tax measures to meet the additional expenditure. The Government chose the latter option and subsequently introduced new tax measures.
- 62. In its report, the Visiting Mission noted a genuine preoccupation among the leaders of the Territory with the question of budgetary aid. The Mission was informed, while in London, that the fact that a country received grants-in-aid should not deter it from proceeding to independence if it so wished. Arrangements could be made to continue such aid for a period of approximately four years, at the end of which time a review of the situation would be undertaken. The country could also qualify for continuing development aid. The Mission recommended that that assurance be conveyed to the Government people of the Territory. In its resolution of 17 September 1976 (see para. 4 above), the Spe ial Committee expressed the hope that the administering Power would continue to intensify and expand its programme of budgetary and development aid.
- 53. In a series of political rallies held in early January 1977, the Chief Minister said that representatives of the trrritorial Government would visit London shortly to discuss, inter alia, budgetary aid (see also para. 21 above).
- 64. The Territory continued to receive technical assistance from UNDP. Total funds available to the British Virgin Islands under the country programme of UNDP for the period 1972-1975 amounted to \$US 142,000, while assistance provided during the first 11 months of 1976 totalled \$US 17,000. During this period, the Territory also participated in the multi-island and regional projects of UNDP.

4. SOCIAL CONDITIONS

- 65. An amendment to United States immigration legislation, which came into effect on 1 January 1977, provides for an increase in the number of immigrant visas available to nationals and residents of the British Virgin Islands (see also paras. 25 and 30 above).
- 66. During the first year of operation of the Labour Code Ordinance, 1975 1,873 work permits were issued to non-British Virgin Islanders. In keeping with government policy, work permits were issued only in cases where qualified British Virgin Islanders were unavailable. The substantial reduction in labour disputes was attributed in large part to application of the provision of the Labour Code defining minimum standards for employment.
- 67. Technical skills continued to be in demand. The Government and the private sector worked together during the period under review to provide technical

^{1/ &}lt;u>Ibid.</u>, paras. 68-71.

training to graduates of the British Virgin Islands High School. It was reported that legislation establishing a system of apprenticeship training would soon be enacted.

68. During the period under review medical and public health services continued to expand, particularly in the area of preventive medicine. Improvements were made in the control of the water supply system and refuse collection and disposal. New legislation governing various aspects of public health, including drug abuse, mental health and control of private hospitals, was introduced or being drafted. Plans for the renovation and extension of Peebles Hospital were completed and submitted to the United Kingdom Government for approval, together with a request for the provision of the necessary funds.

5. EDUCATIONAL CONDITIONS

- 69. The Chief Minister retained the portfolio for education. Details of the education system are contained in the report of the United Nations Visiting Mission. m/ Recent developments in the field of education include the following.
- 70. In 1975, a team of experts under the chairmanship of Dr. Kazim Bacchus, of the University of Alberta and formerly of the University of the West Indies, carried out a survey of secondary education in the Territory. The terms of reference of the team were to take into account the size of the population; the availability of teachers; the desirability of providing junior secondary schools in centres other than Road Town; the need for an established curriculum and its relation to job opportunities; and to make recommendations as to the goals and the general mode of secondary education in the Territory for the next five years.
- 71. The report of the team was among the matters that were to be discussed between representatives of the territorial Government and of the United Kingdom Government at London during January 1977 (see para. 22 above).
- 72. In April 1976, the Governor-in-Council approved the establishment of a Technical/Vocational Training Board, "to advise the Government on all aspects of technical-vocational training and to liaise effectively between the private sector and government (in meeting technical/vocational needs)".
- 73. The Board was expected to conduct surveys to determine the training needs of the Territory and to submit its report, with recommendations, to the Government by mid-September 1976.

m/ <u>Ibid.</u>, paras. 85-92.

B. MONTSERRAT*

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^{*} Previously issued under the symbol A/AC.109/L.1147.

MONTSERRAT a/

1. GENERAL

- 1. Basic information on Montserrat is contained in the report of the Special Committee to the General Assembly at its thirty-first session. **b**/ Supplementary information is set out below.
- 2. At the last census, taken in April 1970, the total population of the Territory was 12,000, mainly of African and mixed descent. At 31 December 1974, the population was officially estimated to be 13,000. There is a resident expatriate community of some 500 persons.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. Constitution

- 3. The present Constitution of the Territory was introduced in 1960. It was amended in 1971 to change the title of Administrator to that of Governor. The Constitution was further amended in October 1975 to provide for the following:
 (a) the election of a speaker from outside the Legislative Council to replace the Governor as its President; and (b) the appointment of a second nominated member of the Legislative Council on the advice of the Chief Minister.
- 4. The government structure consists of: (a) a Governor appointed by the Queen; (b) an Executive Council, consisting of the Governor as its President, the Chief Minister, three other ministers and two ex officio members (the Attorney General and the Financial Secretary); and (c) the Legislative Council, which comprises a Speaker, two ex officio members (the Attorney General and the Financial Secretary), seven elected members returned from single-member constituencies on the basis of universal adult suffrage and two nominated members. Ministerial responsibilities cover all areas of government business, with the exception of the judiciary, the public service, internal security, the audit of public accounts and external affairs, all of which are reserved to the Governor.
- 5. Following the death of Governor N. D. Matthews in July 1976, Geoffrey Whittaker, the Financial Secretary, was appointed Acting Governer. On 28 October, during the absence of Mr. Whittaker while in London on an official visit, Howard Fergus, the Speaker of the Legislative Council, was appointed Acting Governor.

a/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Morthern Ireland under Article 73 e of the Charter of the United Nations on 7 September 1976 for the year ending 31 December 1975.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXIX, annex, sect. B.

6. In November 1976, the United Kingdom Foreign and Commonwealth Office announced that Wyn Jones, a national of the United Kingdom, would assume the office of Governor at the end of 1976. Mr. Jones has held diplomatic posts in the Gilbert Islands and with the Western Pacific High Commission. His most recent post was Secretary to the Chief Minister and to the Council of Ministers of the Solomon Islands. Mr. Jones was sworn in as the third Governor on Montserrat on 13 January 1977.

B. Political parties and elections

- 7. At the time of the last general election, held on 20 September 1973, only one political party, the Progressive Democratic Party (PDP) was in operation in the Territory. In addition to the candidates sponsore by PDP, nine independent candidates contested the election. In the final results, five PDP members and two independent candidates were elected. P. Austin Bramble, the head of PDP, was reappointed Chief Minister.
- 8. In late 1975, a new political party, the People's Liberation Movement (PLM), was formed under the leadership of John Dublin, a former elected representative and Deputy President of the Legislative Council. At that time, a spokesman for PLM said that the party was being formed in readiness for a possible unexpected election such as the last one which had been called half-way through the Government's term of office and had caught political groups unprepared. Under the Constitution, the present Government can continue in office until 1978.

C. Future status

- 9. It will be recalled that in May 1975, the United Nations Visiting Mission to the Territory held discussions on the future status of the Territory with officials of the administering Power in London and with elected representatives in the Territory. c/ The administering Power made it clear that it was ready to grant independence to Montserrat should the people, through their elected representatives, express their wish for such a move. The Mission reported that the elected representatives were aware of the various options open to the Territory, including independence. During his discussions with members of the Mission, the Chief Minister said that he would favour any workable arrangement that would improve the standard of living of the people. The general view of the elected representatives was that there should be free and open discussions on the options and that the independence issue should, if necessary, be decided through a referendum.
- 10. In a press interview in February 1976, the Chief Minister stated that he saw no merit in adopting a constitution of the type prescribing associate statehood, and that until some workable alternative emerged, it was almost certainly best for Montserrat to continue on its present constitutional course.

c/ <u>Ibid.</u>, Thirtieth Session, Supplement No. 23 (A/10023/Rev.1), vol. IV, chap. XXVIII, annex, paras. 4 and 102.

3. ECONOMIC CONDITIONS

A. General

- The economy of the Territory is based on agricultural production, tourism and construction and, to a lesser extent, manufacturing. In its previous report, the Special Committee noted that the Territory was faced with several pressing economic problems, including a scarcity of natural resources, unfacourable terms of trade, a high level of unemployment, under-development of the Territory's infrastructure and manpower resources and inadequate financing for development. Among the measures taken by the territorial Government to cope with these problems were the following: (a) institution of a programme of agrarian reform; (b) development of a viable tourist and handicraft industry, as well as a smallscale manufacturing sector; and (c) planned improvements to the communications infrastructure. The Special Committee considered that these measures were an indication of the seriousness with which the Government and people of Montserrat viewed their development. The Special Committee urged the administering Power further to increase its development aid to the Territory with a view to solving these problems and thus improving economic conditions. The Committee also stressed the need for continued development assistance from the United Nations and the specialized agencies, in accordance with the recommendations of the 1975 United Nations Visiting Mission to Montserrat. d/
- 12. The Territory is a net importer of certain food-stuffs and manufactured goods. Exports consist mainly of agricultural products and a limited quantity of retreaded tyres. The annual adverse balance of trade of approximately \$EC 14 million e/ (\$EC 15.5 million in 1975), is offset by aid from the United Kingdom Government and other sources, tourist spending and the remittances of nationals living abroad. In 1975, the Government introduced a number of measures designed to reduce the spiralling import bill and at the same time stimulate local production. In June 1976, potatoes, onions and carrots, for the first six months had exceeded that for the whole of 1975. Prospects for improvement in the Caribbean Community (CARICOM) market during 1976 were considered to be favourable for those products, although difficulties were anticipated in the marketing of tomatoes and limes. Most of the traditional importers have become self-sufficient in tomatoes, while competition from Dominica has reduced the Territory's share of the market for limes.
- 13. It will be recalled \underline{f} / that between September 1975 and February 1976, the Government of Venezuela sent four missions to Montserrat to romote co-operation and public health. In May, it was reported that Mr. Bramble had visited Venezuela. On his return, the Chief Minister stated that the Government of

d/ Ibid., Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXIX, para. 9 (14)-(17).

e/ The local currency is the Eastern Caribbean dollar (\$EC), which is now linked to the United States dollar; \$US 1.00 was equivalent to \$EC 2.70 in 1977. See also para. 62 below.

f/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXIX, annex, sect. B, para. 12.

Venezuela was genuinely interested in co-operation which would eventually contribute to the development of the smaller Caribbean territories. He added that Venezuelan businessmen had agreed to investigate possibilities in Montserrat. In October, the Consul-General of Venezuela to the Associated States g/ stated that, as a result of the fact-finding missions, Montserrat would participate with the Associated States in an aid programme estimated at \$EC 7.5 million, as part of a broader programme recently approved by the Government fo Venezuela. Montserrat would receive funds for extension of the airport (see also para. 43 below), and for the establishment of a small craft marina.

14. In January 1976, it was reported that a five-man delegation from Guadeloupe would visit the Territory in the following month. The delegation, to be headed by the Prefect of Guadeloupe, was to include the President of the General Council of Guadeloupe, the Economic Adviser to the Prefect, the Secretary for Foreign Relations and the manager of Air Guadeloupe. According to official sources in the Territory, the Governments of Guadeloupe and Montserrat were to discuss matters of common interest to both countries.

B. Land

- 15. The total land area of the Territory is estimated to be 10,256 hectares, of which the capital (Plymouth), village areas and residential subdivisions occupy 1,596 hectares. Of the total land area, one third has no agricultural value, a third is suitable for tree crops and forestry development and the remainder could be utilized for intensive agricultural development. At present, about 400 hectares of land are under some form of intensive agricultural production. There are some local shortages of land for agricultural development owing to natural restraints, the alienation of large tracts of arable land for real estate development and patterns of land tenure.
- 16. The aims of recent government policy on land reform include the acquisition of unutilized land for distribution among farmers and for housing, prohibition of further alienation of land and a review of existing land legislation.

C. Real estate development

17. Substantial progress was made in tourism and the construction sectors during the 1960s, following the decision of the Government to concentrate on attracting "residential" tourists. As a result, an initial allocation of 1,500 house lots was increased to 3,000 and made available to foreigners. During 1975, the Government stated that although it would not impose any restriction on the resale of the lots, further alienation of land under this programme would not be permitted unless it was proven that significant benefits would accrue to the Territory.

g/ Antigua, Dominica, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent.

- 18. It will be recalled h/ that in October 1975, William Carrol, a retired Canadian businessman, had purchased 4.5 hectares of land and all the shares of a local company, Montserrat Condominiums, Ltd., for the purpose of building Shamrock Villas, a 74-unit condominium project, at an estimated cost of \$EC 6.0 million. In May 1976, it was reported that construction on 33 units, representing the first phase of the project, was nearing completion. The prices of the units ranged from \$US 31,500 to \$US 33,000. The first purchaser was a Montserratian, and several North American residents of Montserrat expressed an interest in purchasing units in the development. Mr. Carrol state that although Shamrock Villas were not hotel-type condominiums, individual owners would be able to make arrangement with the Emerald Isle Hotel for rental to tourists.
- 19. During the period under review, the Territory participated in the Urban Working Class Housing Project and the secondary mortgage programme of the Caribbean Development Bank (CDB), which were financed from the proceeds of a soft loan from the United States Agency for International Development (USAID). By the end of 1975, construction had been completed on 42 houses under the Urban Working Class Housing Project. Under the secondary mortgage programme, a mortgage officer and a West Indian consultant were appointed to assist in developing a programme for the least developed countries, including Montserrat. Both experts visited the Territory in June 1975 and held discussions with representatives of the Montserrat Building Society, which has been designated the local agent.

D. Tourism

- 20. The development of tourism remained a major feature of government policy throughout the period under review. According to various statements by senior government officials, the Government has expressed an interest in integrating the development of the tourist industry with that of agriculture and handicrafts. The major problem facing the industry continues to be poor air service connection Montserrat with international air routes. In an address to the Caribbean Tourist Association at the Emerald Isle Hotel in Montserrat in October 1976, the Tourism Development Director of the Organization of American States (OAS) stated that the air transport system in the Caribbean was amongst the most complex and confusing in the world and that the lack of a coherent air transport policy was making it difficult for Europeans, and "almost impossible" for South Americans, to visit the Caribbean. He added that OAS prepared to assist Caribbean Governments with tourism development through the Caribbean Tourism Research Centre, which has it headquarters in Barbados.
- 21. Montserrat and most of the Eastern Caribbean Territories are served by one airline (Leeward Islands Air Transport (LIAT)), which is the sole link between the Territories and the major international trunk routes.
- 22. In a report issued by the Caribbean Tourism Research Centre in mid-1976, it was stated that, of the 10 English-speaking Caribbean countries, only Montserrat and Dominica did not have excess hotel capacity. With the exception of

h/ Official Records of the General Assembly, Thirty-first Session,
Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXIX, annex, sect. 3, para. 15.

Montserrat, the other countries would have to achieve an estimated compound annual growth rate of more than 12 per cent by 1980 to fill their excess hotel space; Montserrat would require only a 1.5 per cent rate of growth. In a statement made earlier in the year, Ivan Browne, Director Tourism for Montserrat, had expressed the belief that the Territory's 120-room hotel capacity was sufficient; he preferred an increase in the rental and purchase of villas, particularly by retired people.

23. During the period under review, Mr. Browne visited Europe and North America to promote tourism, and Mr. Osborne, the Chairman of the Montserrat Hotel Association, visited five cities in Canada and the United States.

E. Agriculture

- 24. The Territory's economy is based largely on agricultural production, which is the largest single contributor to the economy in terms of the gross national product and employment. The chief crops are cotton, citrus fruits and a wide range of vegetables and root crops. In 1975, the Apricultural Development Plan 1975-1977 was adopted in an effort to revitalize and expand agricultural production. i/ The plan emphasizes land development and reform, the production of vegetables, fruit and tree crops, the promotion of agro-industries and the expansion of livestock production. The long-term objectives of the plan are:

 (a) to achieve self-sufficiency in the production of certain food items during the period; and (b) to ensure that the value of agricultural exports over the next 15 years finances at least 50 per cent of the imported agricultural products.
- 25. At the opening of the Eighth Leeward Islands Agricultural Extension Course in May 1976, W. H. Ryan, the Minister of Agriculture, said that a major change was necessary in the attitude of the people towards work, particularly in agriculture. He added that means would have to be found whereby the people could be made aware that a strong and vibrant economy could only be founded on a sound and productive agricultural se.
- 26. In August, it was reported that loans totalling £31,250 would be made available by the Development Fund of Barclays Bank International, Ltd., to about 350 small farmers for crop financing. The funds were to be provided through the Territory's Development, Finance and Marketing Corporation (DFMC), which is responsible for stimulating farm production by offering crop financing to farmers and a market for their products. The loans, at 2 per cent interest, were to be repayable after five years. Any earnings from interest were to be placed in a special account to be used for further crop financing.
- 27. In November, the Ministry of Agriculture announced that Barclays Bank International, Ltd., and the territorial Government would jointly finance a visit by an expert on macadamia nut production from the College of Tropical Agriculture in Hawaii. A spokeman for the Ministry said that macadamia nuts, which were among the most valuable nut crops, did not present the export preparation

i/ Ibid., Thirtieth Session, Supplement No. 23 (A/10023/Rev.1), vol. IV, chap. XXV/II, annex, paras. 48-51.

problems characteristic of certain fresh fruits and vegetables. Subsequently, Professor R. A. Hamilton, a leading world authority on macadamia nuts, visited the Territory and made extensive tours of the island. In December, the Ministry announced plans for a pilot project in the cultivation of macadamia nuts at Hermitage and Paradise, utilizing the substantial quantity of planting material which Professor Hamilton had brought with him.

28. For many years sea island cotton was the principal agricultural export crop. In 1973/74, the area under production fell to 4 hectares (see table below), and in 1974, the Covernment undertook a 10-year programme to revive the crop.

	1971/72	1972/73	1973/74	<u>1974/75</u>
Area under production (hectares)	• • •	20	4	42
Clean lint (kilograms)	7,376	1,836	1,301	13,354
Standard lint (kilograms)	286	185	•••	•••

- 29. According to the Agricultural Development Plan, there are 200 hectares of land in the Territory suitable for cotton production without danger of soil erosion. Allowing for rest from production for one year in three, the effective maximum annual total production area would be 140 hectares. There are secure markets for the crop, and future possibilities lie in local spinning and hand weaving and in a regional cotton textile industry. During 1974/75, the Territory received an interest-free loan of \$EC 99,000 from the Development Fund of Barclays Bank International, Ltd., to finance a fertilizer and insecticide programme for cotton. In August 1976, the Fund provided a further loan of approximately \$EC 140,000 to DFMC. Revenue from the sale of cotton in 1976 was estimated at about \$EC 250,000 (\$EC 80,550 in 1975).
- 30. Montserrat continued to import sugar from producers within CARICOM and also from the United Kingdom, valued at \$EC 148,038 and \$EC 152,594, respectively, in 1974. Subsequently, the CARICOM Council decided that the base price for sugar should be related to the lowest contractual price for sugar exports within the region (£196 a ton). During 1975, sugar supplies to the Territory had been disrupted as a result of a disagreement over the price fixed by CARICOM sugar producers and that charged by the Territory's supplier. / Provision was made in the 1976 budget estimates for the expenditure of \$EC 14,000 for the pilot sugar-cane nursery. Expenditure for this project in 1975 amounted to \$EC 2,000.
- 31. The establishment of agro-industries has been considered the best alternative to industrialization, providing the greatest linkage between domestic resources and employment opportunities both in the primary and secondary stages of production. In 1974, a team of experts, under the auspices of the Commonwealth Caribbean Technical Assistance Programme, assisted the Government in the following agro-industries: (a) lime oil and other lime preparations; (b) avocado by-products; and (c) small-scale food processing of jams, jellies, preserves and pickles. In September 1976, it was reported that an expert

i/ Ibid., Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXIX, sanex, sect. B, para. 21.

from the Commonwealth Fund for Technical Co-operation (CFTC) with headquarters at London, had visited the Territory to assist the Department of Agriculture with its programme to develop orchard crops. Brian Adams, a horticulturist, was appointed by the United Kingdom Government to assist in the programme. Commenting on the propagation aspect of the programme, Mr. Adams said that between 8,000 and 10,000 citrus plants, enough to plant 25 hectares, should be available by the end of the year. With the exception of West Indian limes imported from Dominica, the greater part of the stock of citrus plants came from California. A large consignment of avocado plants also was ordered from Florida. In describing the response to the programme as "fair", Mr. Adams said that mangoes had been the best sellers to date.

32. Early in 1976, it was reported that a food processing laboratory would be established at Grove, to concentrate on methods of processing certain root, vine and tree crops. In October, three United States businessmen were reported to have held negotiations with the representatives of the Government and the Caribbean Investment Corporation (CIC) on the installation of a food processing plant and a candle manufacturing plant. The spokesman for the group stated that efforts would be made to meet United States inspection and standards for processed foods, so as to permit the importation of canned foods into the United States and its possessions.

F. Industry

- 33. The manufacturing sector of the economy consists of about 10 small-scale enterprises which produce mainly for the local market, including: a cotton ginnery operated by the Department of Agriculture, a lime juice factory, two small furniture factories, a tyre-retreading factory, a block-making factory, a plastics factory and a plant for the hand-printing of fabrics.
- 34. During 1975, the Territory was reported to have benefited from the Small Industry Credit Scheme of CDB, which continued to be the main vehicle for assistance in industrial development to the less-developed countries of CARICOM. An industrial estate about 18,580 square metres in area was under construction at the end of 1975 as part of this programme, and work was started on three factory buildings during 1976.
- 35. As part of its industrial development programme, a two-man delegation consisting of K. Cassel, Permanent Secretary to the Chief Minister, and David Kapur, an industrial development adviser, visited North America in September 1976 in what was regarded as the Territory's most ambitious attempt to attract foreign investment. The industrial promotion tour followed intensive advertising in The Wall Street Journal and Bobbin Magazine, a Canadian commercial journal. Mr. Cassel stated that the Government would make every effort to attract labour-intensive industries and would concentrate on garment manufacturing and electronics assembly. The team offered North American businessmen such incentives as a 15-year tax holiday period, duty-free importation of equipment and material, and the availability of factory shells at nominal rates. In addition, the Government offered to guarantee potential investors unrestricted repatriation of capital, dividends and profits. This guarantee was considered to be the most attractive to foreign investors.

- 36. CIC and the East Caribbean Common Market (ECCM) were reported to be assisting in efforts to establish three new industries in the Territory: plastics, candle-making and wood-working.
- 37. In October 1976, CFTC appointed Henry Zigys, a Canadian national, to a two-year term as industrial development adviser to the Chief Minister's office. Frior to coming to Montserrat, Mr. Zigys was on a three-year assignment to the Government of Dominica.
- 38. It will be recalled that the Government, as part of its industrialization policy, had sought assistance for the establishment of a tanning and leather craft industry. In June 1976, it was reported that Fred Rompa, an expert in tanning, was on assignment to the Government of Montserrat from the International Labour Organisation (ILO). Mr. Rompa, who had previously conducted a survey of the availability of hides and skins in all the English- and French-speaking Caribbean countries, claimed that hides and skins could be easily obtained. This information is said to augur well for a local leather craft industry, particularly at a time when imports of leather are increasing at a rapid pace. A local tannery would be a reliable source of cheap leather, in addition to providing local employment.
- 39. In August, a tannery building, constructed with funds made available by the British Development Division in the Caribbean, was turned over the Government. Mr. Rompa stated at that time that two machines and about 70 paces of equipment were expected to be delivered before the end of September.
- 40. Kurleigh King, head of the Industrial Development Section of CDB, visited the Territory in November for discussions with government officials concerning preliminary proposals for the Bank's possible involvement in industrial financing. Private sector and official sources were reported to be of the opinion that his co-operation could help local businessmen to take full advantage of the facilities of CDB. Following a discussion with Mr. King and other officials of CDB, Eric Kelsick, President of the Montserrat Chamber of Commerce, told a news conference that the local businessmen had been impressed by the opportunities available for industrial development. Mr. Kelsick said that he had been particularly impressed by the offer of the Bank to provide substantial technical assistance. He added that there was a shortage of manufactured goods in the region, including the most developed countries, and lat the regional organizations within CARICOM were prepared to assist with marketing both within the region and internationally.
- 41. Other developments in the Territory's industrial expansion programme during the period under review include the following:
- (a) The proposed establishment of a fish snelling enterprise, which was eventually expected to employ about 400 persons, depending on the productivity of the labour force and the quality of work. The enterprise was also expected to contribute heavily to foreign exchange earnings. In June 1976, it was reported that the United Kingdom Government had authorized the territorial Government to post the indemnity bond of \$US 50,000 required by the United States firm which was to operate the company.
- (t) The arrival in October of J. B. Benjamin, a bee-keeper from the Caribbean Union College in Trinidad, to examine the beehives in the Territory with a view to providing the Government with guidelines for the establishment of a viable industry. Mr. Benjamin was of the opinion that, by adopting modern methods, the island's bee-keepers could treble their output of honey. A substantial amount

of honey is imported annually from the United States and Barbados. The official report on this survey has not yet been released.

(c) The announcement in January 1977 that an electronics assembly plant had been registered in the Territory under the name of Electro-Magnetics Company, Ltd. Cecil Cagle, a United States businessman and president of the company, told the press that the plant would begin operations in February and would assemble stereophonic equipment, radios and other items for sale on the Caribbean market; it would also undertake labour contract work for firms in the United States. Mr. Cagle stated that he was leasing a factory shell from the Government and anticipated employing a minimum of 50 to 60 persons by the end of the year.

G. Communications and other basic facilities

- 42. Most of the more than 240 kilometres of roads in the Territory are all-weather roads suitable for motor traffic. The Government has expressed the view that, with a few exceptions, the road system is adequate for development needs and that future road improvement programmes would be paid for mainly from the revenue raised from vehicle registration fees. The number of licensed vehicles at the beginning of 1975 was 1,300.
- 43. Blackburne, the only airport in the Territory, is situated 14 kilometres from Plymouth. It has a 1,040-metre runway, which the Government considers inadequate for most types of aircraft, although satisfactory for the aircraft used by LIAT, the only airline servicing the Territory. In 1975, the Government requested technical assistance from the United Kingdom Government in planning an extension to the runway. In May 1976, it was reported that a team of engineers provided by the Government of Venezuela had visited the Territory to begin work on realignment of the runway which was expected to be completed in 1977.
- During the period under review, this service was disrupted on a number of occasions owing, among other things, to a strike by the airline's pilots in April 1976 and the grounding of the company's five AVRO HS-748 aircraft as a precautionary measure. The latter move was recommended by the aircraft construction company to modify a scress area in the wing structure. Normal scheduled services were resumed in early June. As a result of dissatisfaction with air services between Montserrat and Antigua, the Chief Minister announced in April that the Government was considering buying its own aircraft. He stated that potential donors with whom the Government had discussed the possibility of financial aid had been generally sympathetic, and it was anticipated that a plan could be worked out. He emphasized that a state-owned airline would be the only way in which the Territory could guarantee satisfactory air service; it was, however, an expensive venture, and the Territory would have to bear the economic cost if the operation was to be reliable.
- 45. Improvements to Plymouth harbour continued throughout 1976. In March, it was reported that the land reclamation project financed by a \$EC 574,000 loan from CDB was nearing completion. The project, to extend the L-shaped jetty about 60 metres in one direction, 55 metres in the other and to a depth of 7.3 metres, is being financed by the British Development Division in the Caribbean, at a cost of \$\sigma \text{EC} 1.2 million. Work on the jetty came to a temporary halt in September for

- technical investigations, but was resumed in November. According to a spokesman for the contractors (Higgs and Hills, Ltd.), as a result of the delay, the extension would only be completed some time during 1977.
- 46. In April 1976, it was reported that the Montserrat Chamber of Commerce would protest to the West Indies Shipping Service concerning its decision to quote freight rates and landing fees in United States dollars, which had resulted in an increase in the rates.
- 47. The Territory's telephone and telegraph system is owned and managed by Cable and Wireless (West Indies), Ltd. On 26 July 1976, a lightning storm interrupted telecommunications, with the east coast experiencing the worst damage. The damage to cable and wireless equipment was estimated at \$EC 33,000. In September and October, the company and the Montserrat Allied Workers' Union (MAWU) were engaged in an industrial dispute over a wage claim by the Union, which resulted in a further disruption of service (see also para. 64 below).
- 48. The Montserrat Electricity Services, Ltd., owned jointly by the Government and the Commonwealth Development Corporation (CDC), continued to provide electricity for the Territory. In December 1976, it was estimated that the commany, which had net profits of \$EC 710 in 1974 and \$EC 4,569 in 1975, would experience a loss of \$EC 100,000 in 1976. In September, the manager of the commany had stated that the projected loss (then \$EC 60,000) was due mainly to the increasing cost of spare parts, major repairs and a drop in sales. He added that the commany needed \$EC 1.0 million to purchase a new generator and would request the Government wither to provide a low-interest loan (the funds provided by CDC at 8 per cent had proven too costly); or to permit an increase in the rates. The situation was further aggravated by the fact that the Texaco Oil Company, which supplied fuel to the Services, planned to raise the cost of its fuel oil. According to Texaco, it was supplying diesel fuel to the Territory at a loss under a contract negotiated 10 years earlier at the lowest rate in the region. A new contract was due to be negotiated at the end of 1976.
- 49. In December, it was announced that electricity rates would be increased by 2 cents per unit. The Services expressed its concern about the results of the increase in 1977, since sales had declined significantly following the last rise in electricity rates.
- 50. The Territory's water supply is managed by the Water Authority, which was established in 1972. The final phase of the development of the water supply system, initiated in 1971, was completed in November 1975. The Government of Canada, which had provided a grant of \$EC 6.0 million for the project, is also committed to the training of personnel to manage the system. In this regard, Reuben Piper, an official of the Water Authority, who had visited Trinidad and Tobago in August 1976 to observe that country's water and sewerage systems, was expected to leave for Canada the following month to pursue a three-year course in civil engineering technology, to be financed jointly by the Pan American Health Organization (PAHO) and the Canadian International Development Agency (CIDA). In October it was reported that CIDA had agreed to look into the possibility of providing vital spare parts to the Water Authority in an attempt to reduce the over-all cost of managing the water system. The Authority, which was already concerned over the high cost of pumping water electrically from the well at Trants,

expressed fear that any significant increase in electricity rates would impose an even heavier financial burden.

- 51. The Territory is entirely volcanic in origin, very mountainous, and has three mountain ranges: Silver Hills in the north and Centre Hills and Soufrière Hills in the south. The mountains are covered with and give rise to numerous streams. Some limited volcanic activity in the form of warm sulphur springs is still present. It will be recalled that the potential for geothermal energy was established in 1973, following the investigations of a United Nations geothermal expert, and that in 1975, \$EC 750,000 was earmarked for geothermal explorations. According to press reports, preliminary hydrogeological studies were carried out in the Territory in April 1976 by the Institute of Geo-Physical Studies, under the United Kingdom technical assistance programme, to determine whether the island could mount a feasible geothermal project. The territorial Government provided semi-skilled labour and transportation. In September, it was reported that the studies were still in progress. The Government and business interests have expressed their support of the project in the light of the rapidly rising cost of diesel fuel for generating electricity.
- 52. In late 1975, the Centre national de Ja recherche scientifique (CNRS) of France reported after analysis that a rock sample taken from the Territory was "pure gold". A few months later, the Institute of Geological Sciences of the United Kingdom analysed a similar sample which it stated was almost 80 per cent gold, with traces of silver and other metals. A geologist based in Haiti with the United Nations Development Programme (UNDP) has stated in a preliminary report that analyses of rock samples taken from Montserrat "did not indicate economic mineralization". He said that further tests would be carried out by UNDP. In September 1976, it was reported that the Institute of Geological Sciences was also conducting further studies.

H. Public finance

- 53. The budget estimates approved by the Legislative Council for 1976 provided for a total of \$EC 8.5 million in recurrent expenditure against local revenue of \$EC 5.8 million (both unchanged since 1975) and a budgetary grant-in-aid from the United Kingdom Government of \$EC 2.6 million (\$EC 1.8 million in 1975). There was no deficit in the current budget, although the Consolidated Fund deficit at 31 December 1976 amounted to \$EC 1.1 million. The principal items of recurrent expenditure were social services, \$EC 3.2 million; communications and works, \$EC 1.4 million; Ministry of Finance, \$EC 647,900; and Consolidated Fund Services, \$EC 553,849.
- 54. Provisions were made for the expenditure of \$EC 10.1 million for the 1976 Development Fund, which incorporates all capital revenue, mainly grants from the United Kingdom (\$EC 7.6 million for the period 1975-1977); loans from CDB (\$US 228,000); and other sources. Unsecured development finance stood at \$EC 2.2 million. Allocations were as follows: infrastructural development, \$EC 5.8 million (\$EC 3.0 million in 1975); social services, \$EC 2.7 million (\$EC 2.0 million in 1975); natural resources, \$EC 1.3 million (\$EC 1.2 million in 1975); and miscellaneous expenditure, \$EC 345,100 (\$EC 295,100 in 1975).

- 55. In introducing the 1976 budget estimates, the Chief Minister disclosed that single persons earning less than \$EC 2,100 a year and married persons earning less than \$EC 3,200 would no longer be required to pay the surcharge on the portion of taxable income above \$EC 1,000. According to the Chief Minister, the tax cuts were to be imposed in place of proposals for increased salaries and cost-of-living allowances for civil servants since funds were not available to pay the increases.
- 56. In July 1976, members of the Select Committee on Overseas Development of the United Kingdom House of Commons, together with senior officials of the British Development Division in the Caribbean, visited the Territory. The Group, under the leadership of Sir Bernard Braine, Member of Parliament, held discussions with representatives of the Montserrat Government, DFMC and the Montserrat Chamber of Commerce. During a press conference, Sir Bernard stated, among other things, that aid was not a matter of dispensing charity that it was a partnership between the United Kingdom Government on the one hand and the Governments of the Caribbean on the other. He added that aid should supply something which the people could not supply themselves. Observers were reported to be of the opinion that the discussions concerned financial assistance during the next fiscal year and development assistance for tourism. The Select Committee was expected to submit an official report of its findings.
- 57. In October 1976, a delegation led by the Chief Minister (who also holds the portfolio for finance) and including the Financial Secretary and the Attorney General, visited London for talks on financial matters with the United Kingdom Minister of State at the Foreign and Commonwealth Office and other senior officials.
- 58. During the period under review, the Territory continued to receive technical assistance from UNDP. Total funds available to Montserrat under the UNDP country programme for the period 1967-1975 amounted to \$US 511,698, while assistance provided between January and November 1976 totalled \$US 95,000. Montserrat also participated in multi-island country and regional projects during the period under review.
- 59. Financial and technical assistance was also provided by the administering Power, the Governments of Canada and Venezuela, CARICOM and its subsidiary organs, CDB and CFTC.
- 60. In December 1976, an agreement was signed between the Governments of Barbados, Guyana, Jamaica and Trinidad and Tobago on the one hand and the Government of the United Kingdom on the other, to establish within CDB a special fund for emergency programme assistance and common services for the Windward and Leeward Islands, including Montserrat. The initial contributions to the fund, made by both parties totalled \$US 10.0 million. The fund was expected to become operational during 1977.

I. Money and banking

61. During 1976, there were five financial institutions operating in the Territory: three international banks (Barclays Bank International, Ltd.; the Royal Bank of Canada; and the Chese Manhattan Bank of the United States); the Government Savings Bank; and the Montserrat Building Society, a subsidiary of CDC. In early January 1977, it was announced that the Chase Manhattan Bank would withdraw from the Territory because of insufficient business.

62. The Territory maintained its membership in the East Caribbean Currency Authority (ECCA), which is responsible for the issue of a common currency for member Governments. k/ As previously reported, Montserrat, along with other members of ECCA, expressed concern over the rapid decline of the pound sterling in the international market and the recent conversion in the currencies of some of its trading partners in CARICOM. 1/ In March 1976, the Legislative Council passed an amendment to the currency ordinance empowering the Government to join other ECCA members in the alignment of the Eastern Caribbean dollar. At a special meeting of the Finance Ministers of ECCA member States, held in Antigua in June 1976, the decision was taken to sever the link between the pound sterling and the Eastern Caribbean dollar and to link the dollar to the United States dollar. Parity was later established at the rate of \$EC 2.70 to \$US 1.00.

4. SOCIAL CONDITIONS

A. Labour

- 63. Unemployment remained a problem throughout most of the period under review. For details of measures taken by the Government to alleviate the high level of unemployment, see paragraphs 33-41 above.
- 64. According to information provided by the administering Power, there were twelabour unions in the Territory during the period under review: the Montserrat Seamen and Waterfront Workers Union and MAWU, with memberships of 112 and 516 respectively. In September 1976, MAWU and Cable and Wireless (West Indies), Ltd., engaged in an industrial dispute over a wage claim (see also para. 47 above). The Union demanded a wage increase of 50 per cent for four employees and a 40 per cent increase for all other staff. The company refused to pay, claiming that it was losing money. The last salary agreement between Cable and Wireless (West Indies), Ltd., and MAWU expired on 31 December 1975. The overseas communications system was disrupted for one week as a result of a slow-down, which was later called off when the matter was referred to the Labour Department for conciliation and arbitration.
- 65. Since January 1976, the Territory has participated in the Canadian Government's Caribbean seasonal workers programme, under which workers are recruited for temporary employment in Canada to plant and harvest crops and to work in food-processing plants.
- 66. In October 1976, the United States Embassy in Barbados announced that, under an amendment to the United States immigration law, the number of immigrant visas granted to nationals of the Associated States, the British Virgin Islands and Montserrat would be increased from 200 to 600 annually. The amending legislation would become effective on 1 January 1977. The amendment also provided for the gradual conversion to immigrant status of the approximately 15,000 Eastern

k/ The East Caribbean Currency Agreement was signed in 1965 by the Governments of Antigua, Barbados, Dominica, Montserrat, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent. Grenada acceded to ECCA in 1968 and Barbados withdrew in 1973.

^{1/} Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXIX, annex, sect. B, para. 40.

Caribbean nationals now residing in the United States Virgin Islands as bonded workers.

B. Public health

- 67. Public health, medical services and sanitation are the responsibility of the Chief Medical Officer. The government medical staff consists of the Chief Medical Officer, two district medical officers, one surgeon, and one dentist. There are two full-time general practitioners and one dentist in private practice. Public health and sanitation are administered by the Chief Public Health Inspector, 4 public health inspectors, 2 health dispensers, 3 public health nurses and 12 district nurses.
- 68. In August 1976, it was reported that about one in every six children under five years of age registered at public clinics was suffering from some degree of malnutrition. F. Daley, the Matron of the Glendon Hospital, who had conducted the survey, strongly recommended the extension of the nursery school programme to include more children in the three to five-year age group and the provision of school lunches.
- 69. Work on the construction of the new 67-bed Glendon Hospital, started in 1975, continued throughout 1976. In October 1976, the project manager announced that the contractors (Bostleman International, Ltd.) had applied for an extension of the hospital contract because of delays in the arrival of materials. The hospital had originally been scheduled for completion in March 1977.
- 70. Recurrent expenditure on medical and health services was estimated at \$EC 1.2 million in 1976, approximately the same as in 1975.

5. EDUCATIONAL CONDITIONS

- 71. The Minister of Education, Health and Welfare is assisted by the Chief Education Officer, two education officers and other supporting staff. Primary and secondary education is free for all children.
- 72. During 1975, the following government schools were in operation:

	Schools	Enrolment
Nursery education	10	• • •
Primary education	16 <u>a</u> /	2,639
Junior primary education	ı	108
Secondary education	1	314
Technical and vocational	1	78

a/ Including two aided and two unaided schools.

- 73. Adult education is provided under the direction of the Resident Tutor, Extra-mural Department, of the University of the West Indies. Courses leading to the general certificate of education, as well as seminars and workshops are arranged with the view to broadening the education of the adult population.
- 74. During the period under review, 12 teachers attended teacher-training institutions abroad. The Department of Education also gave in-service training courses for teachers as well as courses on improving specific aspects of the curricula.

C. TURKS AND CAICOS ISLANDS*

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^{*} Previously issued under the symbol A/AC.109/L.1148.

TURKS AND CAICOS ISLANDS E./

1. GENERAL

- 1. Basic information on the Territory is contained in the report of the Special Committee to the General Assembly at its thirty-first session. b/ Supplementary information is set out below.
- 2. At the last census, held in 1970, the population of the Territory numbered 5,675, of whom the majority was of African descent, the remainder being of mixed or European origin. Approximately 2,300 people live in Cockburn Town, on Grand Turk, where the seat of Government is located. In 1976, the population was estimated at 7,000. The number of Turks and Caicos Islanders living abroad, mostly in the Bahamas, has been variously estimated as ranging between 7,000 and 14,000.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. Constitutional advancement

- 3. Under the Turks and Caicos Islands (Constitution) Order, 1969, as amended in 1973, the Government of the Territory comprised a Governor, appointed by the Queen, and a State Council having both legislative and executive functions. The State Council was composed of the Governor (in executive session only), three official members (the Chief Secretary, the Financial Secretary and the Legal Adviser), two or three nominated members and nine other members elected by universal adult suffrage (the minimum voting age being 21 years) for a maximum term of five years. A speaker presided over the State Council when it was in legislative session.
- 4. Detailed information on constitutional developments in the Territory prior to 1976 is contained in the previous report of the Special Committee. c/
- 5. In 1973, the Earl of Oxford and Asquith was appointed Constitutional Commissioner in response to a request by the State Council to examine the various paths of constitutional evolution open to the Territory. In a report published i October 1974, the Commissioner set out a series of proposals encompassing a wide range of constitutional changes. During the same year, William Herbert, Barrister to the Supreme Court of the West Indies Associated States, made an analysis of Lord Oxford's proposals at the invitation of the State Council. Also involved in the

a/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 7 September 1976, for the year ending 31 December 1975.

b/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXIX, annex, sect. C.

c/ <u>Ibid</u>., paras. 6-16.

discussion of constitutional changes was Patrick Duff, of the United Kingdom Foreign and Commonwealth Office. Towards the end of 1975, the United Kingdom Government agreed to the final proposals for a new constitutional system and began working on their implementation. On 30 August 1976, the Turks and Caicos Islands (Constitution) Order, 1976, came into operation. Its main provisions are outlined below.

Governor

- 6. The Governor is appointed by the Queen. He is required to consult with the Executive Council in the formulation of policy and in the exercise of all functions conferred upon him by the Constitution or the laws of the Territory, except when exercising special or discretionary powers or discharging his special responsibilities relating to defence, external affairs, internal security, including the police force and the public service. The Governor is required, however, to keep the Executive Council informed of any matter which may involve the economic or financial interests of the Territory or the enactment of laws, and, in the case of matters relating to defence or external affairs, the domestic interests of the Territory. The Governor is also required to assign to a member of the Executive Council responsibility for the conduct, on behalf of the Governor, of any business in the Legislative Council in connexion with the public service.
- 7. The Governor is not obliged to consult with the Executive Council when Her Majesty's service would sustain material prejudice or in unimportant or urgent matters.
- 8. In any case in which the Governor is constitutionally required to consult the Executive Council, he is required to act in accordance with the advice of the Council, although he may do otherwise, normally with the prior approval of a Secretary of State, when the interests of public order, public faith or good government so require. In such event, he is required to inform the Executive Council in writing of his reasons, and any member who so wishes may submit written comments to the Secretary of State.
- 9. The Governor, acting upon the advice of the Chief Minister, may assign to any member of the Executive Council responsibility for the conduct of any government business, including the administration of any department of government, with the exception of financial matters and the special responsibilities of the Governor. Members charged with such responsibility are required to act in accordance with the policies of the Government as determined by the Executive Council and the principle of collective responsibility.

Executive Council

10. The Executive Council consists of the Governor, a Chief Minister elected by the elected members of the Legislative Council, three ministers appointed by the Governor on the advice of the Chief Minister from among the elected members of the Legislative Council and three ex officio members (the Chief Secretary, the Attorney General and the Financial Secretary).

Legislative Council

- 11. The Legislative Council consists of a Speaker, 11 elected members, 3 appointed members and 3 ex officio members (the Chief Secretary, the Attorney General and the Financial Secretary).
- 12. The Speaker is elected from among the elected or appointed members of the Legislative Council who are not members of the Executive Council, or from among persons who are not members of the Legislative Council. There is provision for a Deputy Speaker.
- 13. The qualifications for an elected member are: (a) to be a British subject 21 years of age or more; (b) to have been born in the Territory or to have parents one of whom was born in the Territory, or to have been ordinarily resident in the Territory for at least 15 years; and (c) to have resided in the Territory for a total of 12 months of the two years preceding the date of nomination for election. The appointed members of the Legislative Council are designated by the Governor after consultation with the elected members of the Legislative Council.

Other provisions

- 14. Qualifications for voters are: (a) to be a British subject 18 years of age or more; (b) to have been born in the Territory or to have parents one of whom was born in the Territory, or to have been resident in the Territory for at least five out of the previous seven years; (c) to be a resident of the Territory and to have been so for at least 12 months out of the two years preceding the date of registration as a voter.
- 15. The Constitution provides for a Supreme Court and a Court of Appeals to hear and determine appeals in the Territory. The Constitution also contains a declaration of fundamental rights and freedoms of the individual, together with provisions for their protection.

B. Political parties and elections

- 16. The first elections to the Legislative Council held under the new Constitution took place on 29 September 1976. For electoral purposes, the 11 seats in the Council are divided among the inhabited islands which compose the Territory, as follows: (a) Turks Islands Grand Turk (4 seats) and Salt Cay (1 seat); and (b) Caicos Islands North Caicos (2 seats), South Caicos (2 seats) and Middle Caicos and Providenciales (1 seat each). The Legislative Council has two more seats than the previous State Council, which have been allocated, respectively, to Grand Turk and South Caicos. The principal contestants in the elections were the People's Democratic Movement (PDM), the People's National Organization (PNO) and the United Independent Movement (UIM), all political groupings of recent creation, as well as several independent candidates.
- 17. According to press reports, PDM war formed under the leadership of James McCartney and Edward Swann by some members of a group of young Turks and Caicos Islanders who, during 1975, had openly manifested their discontent with economic and social conditions in the Territory. d/ PNO was founded by several

d/ <u>Ibid.</u>, paras. 17-22.

persons who were then members of the State Council, under the leadership of Norman Saunders, N. S. J. Francis and Dan Malcolm. UIM, led by Headley Durham, then a member of the State Council, comprised a number of independent candidates.

- 18. As a result of the vote, five seats went to PDM, four to PNO and two to independent candidates. Mr. McCartney, leader of PDM, and Messrs. Saunders, Francis and Malcolm of PNO were among those elected. Of the two independent candidates who were elected, one joined PDM immediately and the other, Liam Maguire, reportedly agreed to support the will of his constituency and vote with PDM, while retaining his independent status. In this manner, PDM, with 7 of the 11 seats, was able to form a Government. Mr. McCartney, who was appointed Chief Minister, also holds the portfolio of home affairs and communications. The other ministers are Lewis E. Astwood, responsible for public works and utilities; Mr. Maguire, tourism and development; and Oswald Skippings, exacation.
- 19. Shortly after the elections, the Chief Minister stated that his Government intended to address itself to: (a) reducing unemployment (which he estimated at 35 per cent of the labour force) by expanding the fishing industry and reviving the stagnant salt industry; (b) improving social services such as health, education, recreation and welfare; (c) seeking foreign investment on a quid pro quo basis; and (d) granting at exclusive government-partnership gambling-casino licence to any interested party prepared to build a hotel with a minimum of 200 rooms.

 Mr. McCartney also said that other foreign aid would be sought mainly from Canada and the United States of America.

C. Future status of the Territory

- 20. In a statement before the Fourth Committee of the General Assembly on October 1976, the representative of the United Kingdom referred to the small erritories for which his Government was responsible in its capacity as administering Power, including the Turks and Caicos Islands. e/ He outlined the policy of his Government, stating that it respected the wishes of the peoples of its dependent Territories for their own future, in accordance with the principle of self-determination. He added that, in practice, it meant that the United Kingdom would never delay independence for those Territories which wanted it, nor would it force it upon those which did not. Referring more specifically to several Territories, including the Turks and Caicos Islands, he stated that, with limited resources, they might never be able to be independent economically. He endorsed the view of the Special Committee that the problem merited careful examination within the United Nations, and said that his delegation was confident that the Special Committee would continue to consider the wishes of the people concerned to be paramount.
- 21. On 28 January 1977, it was reported that D. O. Astwood, Chairman of the Turks and Caicos Islands Development Board, had told the press, while on a visit to Montserrat (see para. 30 below), that the Turks and Caicos Islanders were well aware of the fact that to become politically independent they must first become independent economically. Mr. Astwood added that until the Territory could balance its own budget he did not envisage any possibility of independence.

e/ Ibid., Fourth Committee, 11th meeting, paras. 1-3 and 9.

D. Military bases

- 22. The Government of the United States maintains a Coast Guard station on South Caicos. It also has a naval facility, an air force base and a telementry station on Grand Turk covering an area of 232.7 hectares. The Governments of the United Kingdom, the United States and the Turks and Caicos Islands continue to keep under observation the operation of the agreement concerning the three United States bases, which is due to expire on 31 December 1977. It is understood that the Government of the Turks and Caicos Islands will be associated with the review of the agreement, which will take place before that date, and with any consideration of the renewal of the agreement.
- 23. Shortly after the elections, the Chief Minister said that the presence of the United State; military bases was welcome, although he indicated that once the new Government was fully informed of the current arrangements, an effort would be made to obtain payment of a rental fee.

3. ECONOMIC CONDITIONS

A. General

- 24. Recent economic development has failed to keep pace with the Territory's needs, owing to the paucity of economic resources and the meagreness of private investment. According to the administering Power, economic conditions in the industrialized world during 1975 militated against any significant new investment, and activity in the private sector was generally at a low ebb. Development as such stemmed mainly from projects financed with United Kingdom aid funds. On 11 October 1976, at the opening of the new Legislature, the Chief Minister outlined the economic policy to be followed by his Government (see para. 19 above). Mr. McCartney stated that the Territory would open its doors to foreign investors willing to develop tourism and added that expansion of the fishing industry would also be given priority. In his view, of?-shore banking and ship registration offered a good start for the Territory's future, and he looked forward to "a continuing British form of Government". The Chief Minister added: "We hope the investors will come because the economic climate has always been here ... Our Government also believes in free enterprise".
- 25. There is very little agricultural activity on Grand Turk and South Caicos, but on the other Caicos Islands efforts have been made to develop small subsistence farms with maize as the main crop and, particularly on North Caicos, some production of fruit and vegetables. The major problems affecting agriculture are the saline condition of the soil, irregular rainfall, prolonged periods of drought and the risk of hurricane damage. Because of the limited agricultural and livestock potential of the Territory, there is no government department with responsibility in this area. Government funds for the encouragement of agriculture are provided mainly on North and Middle Caicos to subsidize the purchase of seed and fertilizers. Among the government measures taken to encourage agriculture has been the exemption of customs duties on imported farming equipment. Livestock, mainly pigs and poultry, is raised in most settlements to supplement food supplies.
- 26. Since the closure of the salt industry in 1964, the development of manufacturing industries has been confined to those related to the processing of

fish and the production of handicrafts. Salt is still produced on Salt Cay, but its extraction is heavily subsidized by the Government in order to provide employment for the local people. In this connexion, it may be noted that the Chief Minister has recently announced plans to revive the salt industry (see para. 19 above). As previously reported, f/ talks were held in 1972 among representatives of the United Kingdom, the territorial Government and representatives of ESSO Inter-America regarding the establishment of an oil refinery on the uninhabited island of West Caicos. Despite the payment by ESSO to the territorial Government of \$US 600,000 g/ to date for planning costs and an option on land on West Caicos, valid until 30 June 1976, the option has not been taken up and is believed to have lapsed.

- 27. Although the Territory exports fish, it depends heavily on imported goods to meet local requirements. Total exports for 1974, the latest year for which figures are available, were estimated at \$US 1.1 million. Total imports (excluding government imports) were estimated at almost \$US \dots 0 million. The adverse balance of trade has normally been offset by financial aid from the United Kingdom, tourist spending, the purchase of property by foreigners, local expenditure by the personnel of the United States military bases and the inflow of capital and remittances from abroad.
- 28. The Territory's principal sources of revenue are customs duties and United Kingdom aid. According to the revised budget estimates for 1975, local revenue, derived mainly from customs duties, amounted to \$US 1.8 million and government expenditure to \$US 3.7 million (\$US 1.8 million and \$US 4.3 million, respectively, in 1974). During this period, the United Kingdom grant-in-aid increased from \$US 1.5 million to \$US 1.8 million, and capital aid from \$US 960,000 to \$US 1.2 million.
- 29. In 1971, an outline development plan for the Territory was accepted by the State Council as a guideline for development, and the United Kingdom Government agreed to finance the necessary infrastructure envisaged in the plan. Although the plan emphasized tourist development, it also called for measures to promote alternate forms of economic growth in order to avoid total dependence on tourism. The Government recognized the need to avoid the undesirable consequences of an unplanned and rapid rate of land development. It also intended to place increasing emphasis on the improvement of communications, social welfare facilities, education and training.
- 30. In 1972, the Encouragement of Development Ordinance h/ was enacted to encourage both local and foreign investment. Subsequently, in 1974, a development corporation was established to handle soft loans from the Caribbean Development Bank (CDB), which are available to local enterprises in amounts reportedly up to \$US 100,000 for any single business. In the same year, a Development Board composed of five members

f/ Ibid., Thirtieth Session, Supplement No. 23 (A/10023/Rev.1), vol. IV, chap. XXVII, annex, sect. C, paras. 37-40.

g/ On 1 August 1973, the legal currency of the Territory was changed from the Jamaican dollar to the United States dollar (\$US).

h/ Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 23 (A/9623/Rev.1), vol. VI, chap. XXV, annex, sect. D, para. 33.

appointed by the Government was established. In January 1977, it was reported that Mr. Astwood, the current Chairman of the Board, together with A. F. Williams, the Financial Secretary, and Ian Webster, recently appointed Regional Adviser to development finance institutions in the West Indies Associated States and other United Kingdom-administered Territories, had gone to Montserrat at the request of the British Development Division in the Caribbean to study the Montserrat Development Finance and Marketing Corporation (DFMC) with a view to broadering the powers of the Territory's Development Board. Mr. Williams had previously visited Barbados to discuss farm credit and student loans with CDB. While in Montserrat, Mr. Williams explained that although the Turks and Caicos Islands participated in most regional activities, especially the University of the West Indies and CDB, the Territory considered that close association with the Caribbean Community (CARICOM) was not in its best interest. According to the Financial Secretary, import duties were the Territory's main source of revenue, most of which would have to be given up if the islands were to become members of CARICOM.

- 31. For the period 1972-1976, the United Nations Development Programme (UNDP) assigned an undistributed indicative planning figure for the Caribbean area (including the Turks and Caicos Islands). The country programme for the area, based on the indicative planning figure approved by the Governing Council of UNDP in early 1974 for the period 1974-1978, was adjusted accordingly. Total funds available to the Territory for 1967-1976 amounted to \$US 258,460, while assistance envisaged for 1977-1978 totalled \$US 185,400.
- 32. In June 1975, UNDP made an allocation of \$US 272,500 for assistance in physical planning in countries of the Caribbean area (including the Turks and Caicos Islands). In May 1976, a further allocation of \$US 381,200 was announced by UNDP for the second phase of the project, which was expected to be completed in May 1977.

B. Property development and tourism

- 33. The majority of the land in the Territory is Crown land, the remainder for the most part being freehold. The policy in respect of Crown land is to retain freehold title until the land has been developed according to agreed terms and conditions. The purchase of private land is not subject to any restriction.
- 34. The two major property and development projects, located on Providenciales and North Caicos, respectively, continued to progress. Seven Keys, Ltd., responsible for the North Caicos projects, completed a 25-room hotel and 17 kilometres of roads. As previously reported, i/ an agreement was signed in 1974 between the Government and Jack Gold and his company, Sunshine Development Company, Turks, Ltd., for the construction of a hotel complex on Salt Cay. According to the information provided by the administering Power, the initial phase of the project, the construction of a water tank, was not completed during 1975, and the entire scheme appeared likely to founder because of the lack of proper financing; as a result, the resumption of the project remained doubtful.
- 35. In 1975, the Territory received 8,181 tourists (7,967 in 1974), of whom 65 per cent came from the United States, 7 per cent from Canada and 6 per cent from

i/ <u>Tbid.</u>, <u>Thirtieth Session</u>, <u>Supplement No. 23</u> (A/10023/Rev.1), vol. IV, chap. XXVII, annex, sect. C, paras. 34-35.

the United Kingdom. In 1975, there were 15 hotels and guest-houses in the Territory with a total of 260 beds (unchanged from 1974). According to the administering Power, the Territory's poor international air communication links continued to restrict the development of its tourist potential.

C. Fishing

- 36. The fishing industry dominates the export sector of the economy, the most important products being crayfish and conch. Most of the crayfish is processed in local plants for export mainly to the United States and the British Virgin Islands. Conch is now being exported in frozen form to the United States in addition to the traditional exports of dried conch to Haiti. Efforts are being made to develop scale fishing for export. The Government has granted commercial processing and export licences to three companies operating on South Caicos and Providenciales and to the Fishermen's Co-operative established in 1972 on Middle Caicos.
- 37. The catch of crayfish during 1974/75 was approximately 450,000 tails, of which 391,022 were exported. Although no detailed statistics are available, it has been estimated that the 1975 catch of couch exceeded 2.5 million units. During the same period, 1,709 scale fish were processed for export by one of the freezing plants. The fishing industry is estimated to generate, in terms of production sales, an annual income of about \$US 1.5 million, and accounts for about \$US 55,000 in revenue contributions derived from licences and export duties. It is also one of the major sources of employment.

D. Communications and other basic facilities

- 38. As noted above, one of the factors hampering full exploitation of the Territory's tourist potential is its lack of adequate air communications. Accordingly, the Government has directed its efforts towards expanding these facilities, including the Grand Turk international airport and the South Caicos airport, which were damaged by fire in 1975, j/ as well as most of the nine airstrips in the Territory. During the period under review, three foreign commercial airlines operated international flights to the Territory: Mackey International Airlines and Turks Air and Turkos Holdings, both of the United States, and Bahamas Airways. On 10 May 1976, it was reported that, owing to serious financial difficulties, Turks and Caicos Airways, a locally based subsidiary of Out Island Airways (OIA) of the Bahamas, had gone out of business after four years of operating between the Territory and Haiti.
- 39. The three commercial ports, at Grand Turk (the largest), Cockburn Harbour and Providenciales, can only accommodate small vessels. According to information provided by the administering Power, sea-freight services to the Territory in 1975 were almost entirely based on transshipment through Florida by three ships. There is no longer any direct service with Europe.
- 40. On 28 July it was reported that Providenciales had become a port of entry sometimes handling as much cargo and vessel tonnage as Grand Turk port. As a result,

j/ Ibid., Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. IV, chap. XXIX, annex, sect. C, para. 18.

the Government had decided to provide offices on the island for a resident officer, a customs officer and staff. The Government, had also obtained the agreement of the United Kingdom Government to pay for the construction costs (\$US 69,275), to be provided as a grant from the British Development Division of the Caribbean.

41. During the period under review, no significant changes were reported in the Territory's system of roads, electric power, telecommunications and water supply.

4. SOCIAL CONDITIONS

A. Labour

- 42. In recent years, the Territory has experienced serious problems of unemployment and underemployment, caused primarily by the slow pace of economic development and the entrance of young people into the labour force. According to the administering Power, it was estimated that of the 787 persons registered for employment in 1975, about 200 remained unemployed, the majority of whom were unskilled workers. In a statement made shortly after the recent elections, the Chief Minister placed unemployment at 35 per cent of the labour force (see para. 19 above). The main sources of employment are the Government, the fishing and tourist industries and the United States military bases. Cable and Wireless (West Indies), Ltd., also employs local labour.
- 43. In the same statement noted above, the Chief Minister identified unemployment as one of the major problems which his Government would attempt to overcome. Although no changes were made in the Immigration Regulations, which give the Chief Immigration Officer wide discretion acting under instructions from the Chief Minister's Office, it was reported in December 1976 that procedures for obtaining work permits were being tightened, and requests for renewal were being examined more closely. Substantial cash deposits are now required for new permits.

B. Public health

the Medical and Public Health Department, which is under the supervision of a Chief Medical Officer, is staffed by 3 doctors (2 on Grand Turk and 1 on South Caicos), 1 dentist, 1 matron, 1 public health nurse, 10 staff nurses, 21 clinical nurses and 2 public health inspectors. There is a 20-bed general hospital on Grand Turk, which also has a 10-bed infirmary and a geriatric ward. There are 10 medical clinics throughout the Territory and 2 dental clinics. Expenditure on public health under the 1975 budget estimates amounted to \$US 355,000.

5. EDUCATIONAL CONDITIONS

45. During the period under review, the educational system was under the supervision of the Board of Education, whose chairman was the Chief Secretary. The Chief Education Officer was responsible for the implementation of the Board's policy. As noted in paragraph 18 above, Mr. Skippings was appointed to the new post of Minister of Education following the 1976 elections.

- 46. Primary education is compulsory and free for children between the ages of 4 1/2 and 15 years. There are 14 primary schools and 3 secondary schools: (a) a government school offering a five-year course followed by an "A" level two-year course; (b) a government junior high school offering a three-year course; and (c) a private school offering a five-year course. The Turks and Caicos High School, whose present enrolment is estimated at 500, was considerably expanded and improved during the period under review. In-service teacher training is available at the Teachers' Centre on Grand Turk. In 1975, several of the 39 teachers training abroad, attended the Teachers' Training College in the Bahamas. Many Turks and Caicos Islanders attend the University of the West Indies.
- 47. Expenditure on education under the 1975 budget estimates was \$US 598,374 on the recurrent account (or 17.7 per cent of total recurrent expenditure) and \$US 54,784 on the capital account. It is estimated that 55 per cent of educational costs is financed with United Kingdom grants-in-aid.

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