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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

(covering its work during 1967)

Rapporteur: Mr. Mohsen S. ESFANDIARY (Iran)

CHAPTERS XV-XXII

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* This document contains chapters XV-XXII of the Special Committee's report to the General Assembly. The general introductory chapter will be issued subsequently under the symbol A/6700 (part I). Other chapters of the report are being reproduced as addenda.

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CHAPTER XV*

GILBERT AND ELLICE, PITCAIRN AND THE SOLOMON ISLANDS

I. ACTION PREVIOUSLY TAKEN BY THE SPECIAL COMMITTEE AND BY THE GENERAL ASSEMBLY

1. In 1964, the Special Committee adopted conclusions and recommendations concerning Gilbert and Ellice, Pitcairn and the Solomon Islands.^{1/} After considering the Territories in September 1966, the Special Committee concluded that progress towards the implementation of the provisions contained in General Assembly resolution 1514 (XV) of 14 December 1960, had not been significant, and that General Assembly resolution 2069 (XX) of 16 December 1965 had not been adequately implemented. It reiterated the recommendations it had made in 1964 and expressed the opinion that a visit by Sub-Committee II of the Special Committee was necessary and would be most useful in assessing the political climate, economic requirements and aspirations of the people, and that steps might be taken to arrange such a visit in consultation with the administering Power.^{2/}

2. At its twentieth session, the General Assembly adopted resolution 2069 (XX) concerning twenty-six Territories, including the Gilbert and Ellice, Pitcairn and the Solomon Islands. At its twenty-first session, it adopted resolution 2232 (XXI) of 20 December 1966, concerning twenty-five Territories, including the Gilbert and Ellice, Pitcairn and the Solomon Islands. The resolution called upon the administering Powers to implement without delay the relevant resolutions of the General Assembly. It reiterated the Assembly's declaration that any attempt aimed

* Parts I and II of this chapter were previously issued under the symbol A/AC.109/L.363.

1/ Official Records of the General Assembly, Nineteenth Session, Annex No. 8 (A/5800/Rev.1), chapter XX, paras. 80-96.

2/ A/6300/Add.9, chapter XV, paras. 33-35.

at the partial or total disruption of the national unity and territorial integrity of colonial Territories and the establishment of military bases and installations in these Territories was incompatible with the purposes and principles of the Charter of the United Nations and of General Assembly resolution 1514 (XV). It urged the administering Powers to allow visiting missions to visit the Territories and to extend to them full co-operation and assistance. It decided that the United Nations should render all help to the peoples of the Territories in their efforts freely to decide their future status. Finally, it requested the Special Committee to pay special attention to the Territories and to report on the implementation of the present resolution to the General Assembly at its twenty-second session.

II. INFORMATION ON THE TERRITORIES^{3/}

A. GILBERT AND ELLICE ISLANDS

General

3. The Gilbert and Ellice Islands are situated in the south-west Pacific around the point at which the Equator crosses the International Date Line. It includes isolated Ocean Island and four groups of islands: the Gilbert, Ellice, Phoenix and Northern Line Islands. With the exception of Ocean Island, which has been raised by volcanic action to about 280 feet (85 metres) above sea level, all are low-lying coral atolls. They have a total land area of about 369 square miles (956 square kilometres), and are spread over more than 2 million square miles (5,180,000 square kilometres) of ocean. Canton and Enderbury Islands in the Phoenix Group are at present under the joint control of the United Kingdom of Great Britain and Northern Ireland and the United States of America. Both were uninhabited until the development of trans-Pacific aviation made them desirable

^{3/} Information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information transmitted to the Secretary-General by the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter on 18 April and 1 and 26 August 1966, for the year ending 31 December 1965.

as aviation stations. Canton became a fueling station for air services between Honolulu and Auckland and Sydney. It is now used as an emergency airfield and by military aircraft. Some aeronautical, meteorological and communication services continue to be maintained there.

4. At 30 April 1963, the census taken showed a total population of 49,879. By the end of 1964, it was estimated that the population had risen to over 50,000. About 85 per cent of the inhabitants of the Territory are Gilbertese and the remaining 15 per cent are Ellice Islanders. The great majority of the population live in the Gilbert and Ellice Islands, which make up about one half of the total area of the Territory. Christmas Island, on the other hand, has an area of more than 140 square miles (426 square kilometres), but much of it is desert and it has only a few hundred inhabitants.

Status

5. The Gilbert and Ellice Islands came under the jurisdiction of the High Commissioner for the Western Pacific in 1877 and were declared a British Protectorate in 1892. By an Order-in-Council of 10 November 1915, they were annexed and became the Gilbert and Ellice Islands Colony. Subsequently its boundaries were extended to include the Phoenix and Northern Line Islands.

Constitution

6. The Territory is administered under the provisions of the Pacific Order-in-Council, 1893, the Gilbert and Ellice Islands Order-in-Council, 1915, and the Gilbert and Ellice Islands Order-in-Council, 1963.

7. High Commissioner and Resident Commissioner. Responsibility for the administration of the Territory rests with the High Commissioner for the Western Pacific, who resides at Honiara in the Solomon Islands. This responsibility is deputized to a Resident Commissioner, the chief administrative officer of the Territory, who resides in Tarawa (the capital) where the principal departments of the Administration are located. The High Commissioner and the Resident Commissioner are both empowered to make laws for the peace, order and good government of the Territory with due regard being paid to local custom. In cases where a proposed law might affect the lives of the local population, the island councils are consulted.

8. Executive Council. The Gilbert and Ellice Islands Order-in-Council, 1963, provided for the establishment of an Executive Council, presided over by a Resident Commissioner, with an Assistant Resident Commissioner as an ex officio member, and not more than three official and four unofficial members.

9. Advisory Council. The Advisory Council was established in 1963. It comprises the Resident Commissioner as president and first official and eleven unofficial members appointed by him. The Resident Commissioner is required to inform and consult the Council about such matters as the High Commissioner for the Western Pacific may direct.

Electoral system

10. The elected members of the island councils (see paras. 13-14 below) are elected by universal adult suffrage of all islanders over the age of thirty.

Judiciary

11. Under the provisions of the Western Pacific (Courts) Order-in-Council, 1961, a High Court of the Western Pacific was established in 1962, consisting of a Chief Justice and a number of puisne judges. The High Court possesses and exercises jurisdiction similar to that of the High Court of Justice in England. It has jurisdiction to hear appeals from the judgements of any other court in the Territory, and there is a right of appeal in respect of a judgement by the High Court itself to the Fiji Court of Appeal, and thereafter to the Privy Council in London.

12. In addition to the High Court, there is a system of local or Native courts which have wide jurisdiction over all indigenous inhabitants. These courts are presided over by the island magistrate, who can be assisted by four or more assessors. There are also island land courts which deal with local property, estate and land disputes. These are composed of the island magistrate and a panel of selected islanders.

Local government

13. There are twenty-six Native (or island) governments in the Gilbert, Ellice and Phoenix groups. These governments consist of island councils, a Native court

with criminal and civil jurisdiction and a lands court. The head of each Native government is the island magistrate, an islander selected and appointed by the district commissioner who combines executive and judicial authority. He is the central Government's representative on the island, responsible for local administration, the chairman of the island council and the magistrate of the Native Court.

14. Island councils consist of elected members, nominated members and ex officio members. There is a majority of elected members in all the island councils. In addition to appointing certain members of the island governments, the island councils have power to make local regulations covering a wide range of subjects, and provide services for the general health, security and well-being of each island. The councils have full financial responsibility and make their own estimates of revenue and expenditure; in most cases they pay for the various island services out of local revenue but, in cases where they are not financially self-supporting, they receive a subvention from central government funds.

Political parties

15. In October 1965, the first political party in the Territory, the Gilbertese National Party (GNP) was formed. Its aim, inter alia, is reported to be "to speed up the present rate of constitutional development, aiming at a more representative and democratic form of government". Membership is reported to be ordinarily limited to Gilbertese. However, exceptions to this rule may be made in favour of part or non-Gilbertese who have spent much of their lives in the Gilbert Islands. A second political party, the Christian Democratic Party (CDP), was formed at Tarawa in November 1965. No account is taken of religion or race for membership in the party. Its aims are reported to be to ensure more involvement in territorial affairs; to further the welfare of and promote harmony between the people of the Territory; to improve copra production; to improve education; and to examine land tenure to ensure individual rights and increase production.

Constitutional developments

16. During its meetings in 1966, the Special Committee was informed that proposals for constitutional advancement had been published by the Government of the Territory and were under discussion by the Advisory Council. These proposals were the following:

(a) To replace the Executive Council by a governing council which would exercise executive and legislative powers, and would consist of five official members and five elected members chosen by a House of Representatives.

(b) To replace the Advisory Council by a house of representatives consisting of seven official appointed members and twenty-three members elected by adult suffrage from all parts of the Territory. The Resident Commissioner would preside over both these bodies and would be required to consult the governing council on virtually all policy and legislative matters. The House of Representatives in turn would advise the governing council on major policy and on proposed legislation.

Economic conditions

17. Ocean Island has rich deposits of phosphatic rock, which are worked conjointly with the deposits on the Trust Territory of Nauru, about 160 miles westward, by the British Phosphate Commissioners. The economy of the Islands is based on the extraction of phosphate on Ocean Island and the production of copra on the other islands. The phosphate deposits are expected to become exhausted within fourteen years. The Islands are subject to severe droughts. On most of them the soil is only a few inches deep and consists largely of coral sand. These conditions make cultivation difficult. Copra is the only commercial crop, produced on the Gilbert, Ellice and Phoenix Islands by indigenous cultivators, and on the Line Islands by large commercial plantations.

18. During 1965, there was a return to normal growing conditions following the severe drought of 1963, and the production of copra showed a marked increase. Total production of copra was 9,733 tons, valued at £A801,330,^{4/} compared with 5,442 tons, valued at £A387,666 in 1964. Phosphate exported from Ocean Island totalled 360,800 tons, valued at £A883,960, compared with 325,350 tons, valued at £A805,474 in 1964.

19. Exports and imports in 1965 were valued at £A1,685,290 and £A1,825,524 respectively, compared with £A1,201,296 and £A1,623,863 the previous year. Most imports came from the United Kingdom, Australia and New Zealand and they received most of the Territory's exports.

^{4/} Australian currency is used. In February 1966, the Australian Government changed to a decimal monetary system. A new \$A1.00 is equivalent to 10 shillings in the old Australian currency, or \$US1.12.

20. During 1965, ordinary revenue amounted to £A994,479. The chief source of revenue is a tax on phosphate, which the British Phosphate Commissioners pay on all phosphate exported from Ocean Island, and custom duties. Expenditure, excluding grants, totalled £A917,817. An additional £A108,707 were expended on Colonial Development and Welfare schemes.

21. During 1965, an Economic Development Committee was established as a result of a recommendation of the Executive Council. The Committee includes two members appointed from among the nominated members of the Advisory Council. The Committee held its first meeting during the month of November. Its terms of reference are as follows:

(a) To promote and co-ordinate all economic development projects in the Territory and to advise on all proposals for colony resettlement;

(b) To co-ordinate the policies of the Agricultural Department, Copra Board, Co-operative Societies, Loan Board and Wholesale Society in relation to the economic development of the Territory;

(c) To evaluate and advise on ways and means for actively encouraging the development of local industries and commercial enterprises;

(d) To consider inter-Territory and overseas communications and transport needs in relation to the future development of the Territory.

Social conditions

22. Labour. All matters concerned with the recruitment, contracting and care of workers are undertaken by administrative or other offices appointed by the Resident Commissioner. In 1965, local governments employed approximately seventy part-time senior and 280 subordinate officials, either Gilbertese or Ellice Islanders. The central Government employed permanently approximately 700 persons (excluding about 350 unestablished labourers) of whom fifty-four were Europeans. In addition to the Government, the chief employers are the British Phosphate Commissioners and the copra plantations. During 1966, the British Phosphate Commissioners employed 587 Gilbertese and Ellice Islanders at Ocean Island and 822 at Nauru. Conditions of employment for Gilbertese and Ellice Islanders in the Trust Territory of Nauru are the same as for those islanders employed in Ocean Island. In the Line Islands, the copra plantations employed approximately 249 Gilbertese and Ellice Islanders.

23. Public health. The Territory has two general hospitals, one cottage hospital and twenty-seven dispensaries. The Central Colony Hospital is located at administrative headquarters. The other general hospital is maintained on Ocean Island by the British Phosphate Commissioners. The two general hospitals have 279 beds. The government medical staff includes three registered physicians and twenty-two assistant medical officers. There are also two physicians employed by the British Phosphate Commissioners on Ocean Island. They are paid retainer fees to act as government medical officers. Medical attention for indigenous persons and government officers (with the exception of confinements) is free.

24. In 1965, estimated expenditures on public health totalled £A84,748 and amounted to about 11 per cent of all expenditure.

Educational conditions

25. In 1965, there were 12,489 primary school pupils, mainly in mission schools. Four secondary schools had 353 pupils, and three teacher-training colleges had eighty-nine trainees. Seventeen students were studying under scholarships at secondary schools and universities in Australia and New Zealand. Thirty-five others were abroad taking professional or technical training courses. Expenditure on education totalled £A67,278, or 7.3 per cent of all expenditures.

B. PITCAIRN

General

26. The Territory consists of four islands. Only Pitcairn, a volcanic island situated in the South Pacific about midway between Australia and South America, is inhabited. It has a land area of about two square miles (5.18 square kilometres). The inhabitants of Pitcairn, numbering eighty-eight at the end of 1965, are descendants of British sailors and Tahitians who settled there in 1793 after the mutiny of H.M.S. Bounty.

Status

27. The Territory of Pitcairn is a British colony which came under the jurisdiction of the High Commissioner for the Western Pacific in 1898. By the Pitcairn

Order-in-Council, 1952, it was transferred to the administration of the Governor of Fiji when this office was separated from that of the High Commissioner of the Western Pacific.

Constitution

28. Governor. The Governor of Fiji is ex officio Governor of Pitcairn and legislates for the Territory.

29. Island Council. The Local Government Ordinance of 1964 constituted a council of ten members to replace the existing three-member Island Council. The Island Council is composed of the Island Magistrate (elected for three years), three members elected annually, the Island Secretary ex officio, one member appointed by the Governor, two members chosen by the elected members and two non-voting advisory members, one chosen by the Governor and one by the rest of the Council.

Judiciary

30. The Island Court sits twice a month to hear breaches of the Island Rules. Cases of a serious nature come within the jurisdiction of the High Court of the Western Pacific.

Economic and social conditions

31. Pitcairn Island is isolated and its population is practically all of common stock and related through inter-marriage. The small community is able to meet its basic needs from the soil, the sea and private trading and it is self-sufficient. Pitcairn's revenue and expenditure for the year 1965-66 were £39,437 and £19,472 respectively. Revenue for the year 1966-67 was estimated at £46,782 and

expenditure at £33,434. Its main source of revenue is from the sale of postage stamps to collectors. Some fruits and handicrafts are sold to passing ships.

32. The population is self-employed. There is no permanent labour force although the local administration sometimes hires workers for limited communal services.

33. There is a government clinic, run in co-operation with the Seventh Day Adventist Church. The Government meets the cost of medical supplies and drugs. Professional advice and assistance may be obtained from surgeons on passing ships and, if medical treatment is required in New Zealand, compassionate grants or loans may be obtained from public funds.

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Educational conditions

34. Education is controlled and financed entirely by the Government. It is free and compulsory for all children between six and sixteen years of age. Instruction is in English and the New Zealand standard curriculum is used as the basis of instruction. Post-primary education on the island is conducted at the school by correspondence courses arranged through the New Zealand Department of Education.

35. In 1965, the school roll comprised twenty-seven children. Expenditure on education was £3,825, representing 19.6 per cent of total expenditure.

C. SOLOMON ISLANDS

General

36. The British Solomon Islands consists of a double chain of islands in the South West Pacific stretching approximately 900 miles (1,400 kilometres) in a south-easterly direction and have a total land area of 11,500 square miles (29,785 square kilometres). The six major islands are Choiseul, New Georgia, Santa Isabel, Guadalcanal, Malaita and San Cristobal. They are characterized by precipitous, thickly forested mountain ranges, intersected by deep, narrow valleys. It is the largest United Kingdom Territory in the Pacific. Total population at the beginning of 1965 was estimated at 136,750, of whom about 128,200 are Melanesians, 5,100 Polynesians and the remainder of mixed races. The only township is Honiara, the administrative capital, with approximately 6,684 inhabitants. Most of the people live in small scattered villages throughout the islands. Those who live on the larger islands are often cut off from their neighbours on the same island by high mountain ranges and dense jungle.

Status

37. The Territory of the Solomon Islands is a British Protectorate which was established in 1893 over the Southern Solomons and by 1900 over the remainder of the Group which now make up the Territory.

Constitution

38. The present Constitution is contained in the British Solomon Islands (Constitution) Order in Council, 1964, under which the Territory is administered

by a High Commissioner, who is advised by an Executive Council and who legislates with the advice and consent of a Legislative Council. Before 1960, the High Commissioner was assisted by an advisory council only.

39. High Commissioner. The Solomon Islands Protectorate is one of the Territories administered by the High Commissioner for the Western Pacific, whose headquarters are at Honiara.

40. Executive Council. The Council consists of the holders of the three principal offices, namely, the Chief Secretary, the Attorney-General, and the Financial Secretary of the Western Pacific High Commission, and also such other official and unofficial members as the High Commissioner may appoint. There are at present five official members and five unofficial members in the Executive Council.

41. Legislative Council. The Council consists of the High Commissioner as president, three ex officio members (the Chief Secretary, the Attorney-General and the Financial Secretary of the Western Pacific High Commissioner), eight official members and ten unofficial members. Eight of the unofficial members are elected. The other thirteen members are either ex officio or appointed by the High Commissioner.

Local councils

42. There are local government councils in all areas except for some very small outlying islands. A new local government ordinance which was enacted in 1963, provides that membership of councils is entirely elected by universal adult suffrage, instead of nominated as formerly. By the end of 1965, seventeen councils had been established under the new ordinance, and all but one of them had held elections. A council can make and pass resolutions concerning the government of the district over which it has authority. The councils prepare and debate their own annual estimates of revenue and expenditure - their range of subjects includes administrative services, communications, dispensaries, schools, water supply and economic development.

43. The Honiara Town Council, which has an entirely nominated membership with an unofficial majority, operates under the chairmanship of the District Commissioner, Central Solomons. This Council has specific responsibilities and duties and has the power to pass by-laws. The Council also has powers to raise revenue, but its main source of income is an annual subvention from the central Government.

Judiciary

44. The Judiciary consists of the High Court of the Western Pacific and Native courts. The High Court possesses and exercises jurisdiction similar to that of the High Court of Justice in England. It has jurisdiction to hear appeals from judgements of any other courts in the Territory, and there is right of appeal in respect of a judgement by the High Court itself to the Fiji Court of Appeal, and thereafter to the Privy Council in London. Native courts are usually constituted according to local custom. They have limited civil and criminal jurisdiction and their decisions are subject to review by magistrates.

Electoral system

45. Elections of eight of the unofficial members of the Legislative Council are by electoral colleges composed of elected members of the local authorities (who are themselves elected by universal adult suffrage) in seven of the constituencies, and by direct election on the basis of universal adult suffrage in the Honiara constituency. Elections for the present Legislative Council were held on 7 April 1965.

Political parties

46. In June 1965, the eight elected members of the British Solomon Islands Legislative Council announced that they had formed a political party to be known as the Democratic Party of the British Solomon Islands. The main aims of the party are reported to be self-determination for the Territory within the Commonwealth; free education for all; improved industrial relations and improved machinery for the settlement of disputes; unification of all peoples of the Solomons and greater participation by women in territorial affairs.

Recent developments

47. In the course of its meetings in 1966, the Special Committee was informed that the Legislative Council was to be dissolved in April 1967 and that proposals concerning constitutional advance in the Solomon Islands had been published and were to be submitted to the Legislative Council of the Territory in December 1966. It was proposed to increase the number of elected members from eight to fourteen and, in so far as it was administratively possible, to have all fourteen members

elected by direct elections in their constituencies. However, the Special Committee was further informed that in certain remote constituencies, scattered over a large area of sea, it would be impracticable to arrange direct elections for the time being. It was also proposed to define the High Commissioner's legislative and other powers and to establish a Public Service Commission. No further information is available concerning these proposals.

Economic conditions

48. The economy of the Territory is at present based mainly on subsistence agriculture and on the production of copra for export. However, cocoa is being developed as a second cash crop, and in 1964 field trials in rice, soya beans and oil palms were also made, which it was hoped would lead to the mechanized cultivation of rice and soya beans on a large scale by 1966. Large-scale lumbering operations have also begun and timber exports are expected to reach 10 million cubic feet in the next few years, or more than ten times the amount exported in 1964. There is no large-scale mining, but small amounts of gold are extracted. A few limited industries are directed to meeting some local needs.

49. Cash crops are confined almost entirely to the coastal areas, river valleys and foothills of the larger islands. Food crops are grown generally on the basis of shifting cultivation, and principally in forested areas. There is practically no permanent arable or mixed farming, largely because of the dense afforestation of areas not planted with coconuts and cocoa.

50. The value of all domestic exports in 1965 totalled £A2.37 million, compared with £A1.99 million in 1964. Copra accounted for 88 per cent and timber for 8 per cent of all exports. Imports were valued at £A3.30 million, compared with £A2.73 million in 1964. The United Kingdom, Japan and Australia received 98 per cent of all exports; 69 per cent of all imports came from Australia and the United Kingdom.

51. Revenue is derived mainly from import and export duties, income tax and a company tax. In 1965, estimated revenue, including grants-in-aid and transfers from special funds, totalled £A3.09 million, compared with £A2.74 million in 1964. Estimated total expenditures amounted to £A3.07 million, compared with £A2.61 million in 1964. The budget is balanced by a grant-in-aid from the United Kingdom.

52. A third development plan for the Territory covered the period from 1 January 1963 to 31 March 1966. Development funds for this plan were estimated to total £A3,015,800.

53. A further development plan for the period from 1 January 1965 to 31 March 1968 was drawn up and presented to the Legislative Council in 1965 which accepted it as a general framework for planning purposes subject to approval of individual projects. Colonial Development and Welfare funds available for the plan amounted to approximately £A4.28 million, and development funds from all sources were estimated to total £A6.2 million. The objective of the plan is reported to be the development of natural and human resources in order to strengthen the Territory's economy and to raise the standard of living of all sections of the community and to raise the general standard of education.

54. The agreement signed in 1965 by the administering Power and the United Nations Special Fund for a mineral survey of the Territory was described in the report of the Special Committee to the General Assembly at its twenty-first session.

Social conditions

55. Labour. The total labour force of the Territory in 1965 was estimated at 10,000. A large proportion of the labour force is unskilled and there is an acute shortage of skilled workers. Most of the workers are engaged in agriculture, manufacturing, and commerce or are employed by the Government. There are two registered trade unions. During the latter part of 1965 a general decline of interest among workers in trade union matters was reported and the two trade unions temporarily suspended activities.

56. Public health. Malaria and tuberculosis are the two major health problems in the Territory. At present, the concentration of resources and attention on the eradication of malaria precludes any major attack on tuberculosis. The success of the Malarial Eradication Pilot Project, with the guidance and active assistance of the World Health Organization (WHO), has been the outstanding achievement in public health in the past two years. The Government, in conjunction with WHO, planned to proceed in 1965 to a pre-eradication programme, and a major allocation of funds was approved for the purpose.

57. The Territory has six government hospitals with a total of 370 beds and one leprosarium. Hospitals and other medical facilities maintained by missions have 543 beds. In 1963-64, the medical staff, public and private, included eight registered medical officers and sixteen registered assistant medical officers. In 1965, expenditure on public health was estimated to total £A230,377, compared with £A202,462 the previous year, and amounted to 8.28 per cent of all government expenditure.

Educational conditions

58. Education is largely in the hands of missions. The Government maintains six primary, one secondary and one teacher-training school. It assists the churches and local councils in providing primary education. In 1965 there were 404 registered primary schools and an additional ninety-two schools exempt from registration for a period of two years. The total enrolment of these schools was 19,600. The five secondary schools had 325 students and the two teacher-training schools had fifty-six students.

59. Both the Government and churches provide scholarships for secondary and higher education overseas; scholarships from other countries are sometimes available. At the end of 1965, twenty-seven students were awarded government scholarships for secondary education overseas and ninety-five students were awarded church scholarships.

60. In 1965, recurrent and capital expenditure on education totalled £A302,931, compared with £A224,209 in 1964, and was estimated to be 5.45 per cent of all government expenditure.

III. CONSIDERATION BY THE SPECIAL COMMITTEE

61. At its 562nd meeting on 22 September 1967, the Special Committee considered the report of Sub-Committee II on the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands which appears as an annex to this chapter.

62. The representative of the United Kingdom said he wished to record the fact that, in his delegation's view, the Sub-Committee's conclusions and recommendations on the Territories administered by the United Kingdom did not adequately reflect the substantial progress that had been made over the past twelve months in those

Territories and were regrettably begrudging and negative in tone. Accordingly, he would reserve its position on the Sub-Committee's conclusions and recommendations on those Territories.

63. The representatives of Australia and the United States of America also expressed reservations with regard to the Sub-Committee's conclusions and recommendations on these Territories.

64. The representative of the Union of Soviet Socialist Republics said that his delegation reserved its position regarding the conclusions in paragraph 43. In particular he considered that, instead of stating that the recommendations of the Special Committee and the General Assembly had "not been adequately implemented", the paragraph should state that they had "not been implemented".

IV. ACTION TAKEN BY THE SPECIAL COMMITTEE ON THE REPORT OF SUB-COMMITTEE II

65. At its 562nd meeting on 22 September 1967, the Special Committee adopted the conclusions and recommendations of Sub-Committee II concerning the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands, it being understood that the reservations expressed by some members would be reflected in the record. These conclusions and recommendations are as follows:

Conclusions

(1) The Special Committee notes: that although the administering Power has proposed to replace the Advisory Council by a House of Representatives in the Gilbert and Ellice Islands, this Council would still be an advisory body only; and that in the case of the Solomon Islands, under the features of the new Constitution, which entered into force on 1 April 1967, the enlarged Legislative Council could continue to have a minority of elected members and the Executive Council would continue to remain nominated to a large extent.

(2) The Special Committee concludes that, although some progress has been made towards the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, as contained in General Assembly resolution 1514 (XV), it has not been very significant and should be speeded up; that the recommendations of the Special Committee in 1964 and of General Assembly resolution

2069 (XX) have not been adequately implemented; and that the economic base of the Territories needs to be strengthened.

(3) The Special Committee is aware of the peculiar problems of these small and isolated islands.

Recommendations

(4) The Special Committee reiterates to the administering Power the recommendations it made concerning these Territories in 1964.

ANNEX*

REPORT OF SUB-COMMITTEE II ON THE GILBERT AND ELLICE ISLANDS,
PITCAIRN AND THE SOLOMON ISLANDS

Consideration by the Sub-Committee

1. The Sub-Committee considered the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands at its 57th to 60th and 62nd and 63rd meetings held between 14 March and 12 May 1967.
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see paras. 1-60 of the present chapter).
3. In accordance with the procedure agreed upon by the Special Committee, the Chairman invited the representative of the United Kingdom of Great Britain and Northern Ireland to participate in the consideration of the three Territories.
4. In his statement to the Sub-Committee the representative of the United Kingdom said that in 1966 his delegation had provided the Sub-Committee with very detailed information on the situation in the Territories under discussion. Further information had been furnished at the 1669th meeting of the Fourth Committee in December 1966. Since the recent publication of the working paper, prepared with the help of that information, there had been no important event to report. His delegation would, however, be happy to comment as necessary on the Sub-Committee's discussions at a later stage.
5. The representative of India pointed out that in 1966 the United Kingdom delegation had informed the Special Committee that proposals for constitutional advancement in the Gilbert and Ellice Islands had been made by the Government of the Territory and considered by the Advisory Council, that the number of elected members in the Legislative Council of the Solomon Islands was to be increased from eight to fourteen and that it had been proposed to establish a Public Service Commission in the latter Territory. She asked the United Kingdom representative what had happened thereafter.

* Previously issued under the symbol A/AC.109/L.395/Add.1.

6. The representative of the United Kingdom said that at the 1669th meeting of the Fourth Committee, his delegation had indicated that the proposals for constitutional advancement in the Gilbert and Ellice Islands had been considered and approved by the Advisory Council and submitted for consideration by the United Kingdom Government. Similarly, the proposals for the Solomon Islands had been discussed and formally approved by the Legislative Council and were being considered by the United Kingdom Government.

7. The representative of Chile said that, while in some respects it was understandable that for the administering Power there was nothing new of importance to report on the Territories that had been dealt with in the working paper, the pace of constitutional advancement did seem to be lamentably slow and should be speeded up.

8. With regard to the Gilbert and Ellice Islands, the working paper indicated that proposals for constitutional advancement had been under discussion by the Advisory Council. He would like to have more information from the administering Power regarding the current status of those proposals. The working paper also indicated that the Legislative Council in the Solomon Islands was to be dissolved in April 1967 and that it was proposed to increase the number of elected members. On those points, too, he would welcome further information from the administering Power.

9. The representative of Poland said that the question of small Territories required special attention from the Special Committee and consequently from the Sub-Committee. In view of the particular circumstances of the islands, resulting from their remoteness, their small size and population, the nature of their economy and the lack of communications with the outside world, the Special Committee had a duty to seek, by all means at its disposal, a solution which would enable the peoples to determine their political future in complete freedom and with full knowledge of the various possibilities open to them. Poland, for its part, did not reject a priori any solution which might be adopted by the peoples. It could not, however, agree that the Special Committee should play the kind of role some administering Powers would like it to. The Sub-Committee could not confine itself to taking note of a series of faits accomplis, but must make a constructive

contribution and support the efforts of peoples seeking political emancipation. As to the administering Powers, one was entitled to expect them to recognize United Nations responsibility in the matter and extend full co-operation to the Special Committee.

10. The Polish delegation would like to know what measures had been taken by the United Kingdom Government to implement General Assembly resolution 2232 (XXI), and particularly operative paragraph 4, concerning the national unity and territorial integrity of colonial Territories and the question of military bases. The working paper on the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands stated that Canton and Enderbury Islands, in the Phoenix Group, were at present under the joint control of the United Kingdom and the United States of America and that Canton was being used as an emergency airfield and by military aircraft. His delegation attached great importance to that question since, in spite of the strict injunction contained in paragraph 4 of the Declaration on the Granting of Independence to Colonial Countries and Peoples, certain Powers seemed to have little regard for the idea of self-determination when their strategic interests were involved.

11. In that connexion, he wished to reaffirm the principles set out by his delegation in the Fourth Committee on 1 December 1965 with regard to the question of small Territories, to the effect that military bases, merely by their presence and the possibilities which they offered for repressive action, were a serious obstacle to the achievement of independence, that the existence of such bases distorted the economic structure of the Territories in which they were situated, that the economic conditions which they created served as a pretext for the colonial Power to maintain its presence, that the bases unnecessarily placed the dependent peoples in the front line of any conflict that might occur and that they enabled certain Powers to pursue their strategic purposes in spite of the growing resistance of peoples to the arms race.

12. Thus the existence of such bases was a violation of the Charter and of the Declaration on the Granting of Independence to Colonial Countries and Peoples. It was easy to see the vicious circle in which a dependent Territory found itself when its economy was geared to the needs of a base and the way in which such a

Territory could be prevailed upon by the administering Power to "choose" association with it.

13. It was regrettable that the United Kingdom delegation, instead of providing information on the situation in the Territories in question, had merely referred to the statement made by the United Kingdom representative in the Fourth Committee on 13 December 1966. But, in any event, it would be noted that the text of that statement hardly bore out the optimistic assertion of the United Kingdom representative that the pace of development of the Territories under discussion was rapid and sure. On the contrary, the real situation in the Territories gave reason for serious concern.

14. The pace of political and constitutional advance in the Solomon Islands was slow indeed. It might be true that the number of elected members in the new Legislative Council was to be increased from eight to fourteen and that they were to be elected by universal suffrage, but those changes would have little effect on the legislative situation in the Territory. As stated in an earlier report,^{a/} laws in the Solomon Islands were made by the High Commissioner acting with the advice and consent of the Legislative Council, except for a few matters which were reserved for the High Commissioner. In those circumstances, it could hardly be said that the people of the Solomon Islands could now exercise a real influence on legislation in the Territory. His delegation would therefore be glad if the representative of the administering Power would provide the Sub-Committee with more details on the respective spheres of competence of the Legislative Council and the High Commissioner in that regard.

15. Economic and social development in the Territory could not be described as satisfactory. The public health picture was a sombre one. He need only point out that today, as in 1964, it was reported that "Malaria and tuberculosis are the two major health problems in the Territory". In 1962, in the Solomon Islands, there had been six hospitals and one leprosarium with a total number of 463 beds and other hospital and medical establishments with 153 beds, giving a total of 976 beds. According to the working paper, the total number of beds today was only

a/ Official Records of the General Assembly, Nineteenth Session, Annex No. 8
(part I), chapter XX (A/5800/Rev.1).

913, representing a decrease of 6.5 per cent, while the population had increased by 11 per cent. According to an article which had appeared the previous year in The New York Times, the British Solomon Islands Protectorate had then been one of the most backward Territories in the world. One might wonder whether the situation had changed greatly since then.

16. If one considered constitutional developments in the Gilbert and Ellice Islands, it seemed that the people of the islands would have to wait many years before they could freely decide their future political status. The new arrangements admittedly gave the Territory a House of Representatives consisting of seven official members and twenty-three members elected by universal adult suffrage. However, the House would have no legislative powers, but would simply advise the Governing Council and the Resident Commissioner. The Resident Commissioner would be required to consult the Governing Council only on legislative matters.

17. His delegation hoped that the administering Power would reconsider those proposals and replace them by arrangements more in conformity with General Assembly resolution 1514 (XV). Time was running short and the Territory's phosphate deposits would be completely exhausted within fifteen to twenty-five years.

18. In conclusion, he said that the administering Powers should speed up the economic, social and political progress of the people of the Territories under consideration, who had been neglected for so long. The Sub-Committee, for its part, should not relax its efforts to help the peoples achieve an independent life, in accordance with General Assembly resolutions 1514 (XV) and 2232 (XXI).

19. The representative of India pointed out that since the adoption of the 1962 Constitution, the Gilbert and Ellice Islands had had an Advisory Council consisting of eleven unofficial members and five official members appointed by the Resident Commissioner. Her delegation was waiting with great interest to see what action would be taken on the proposals to make the Advisory Council and the Executive Council more representative, which were now under consideration by the United

Kingdom Government. It should be noted, however, that, even if the proposals were adopted, the new House of Representatives would remain a strictly advisory body, with the Resident Commissioner retaining absolute power in the legislative and executive fields.

20. The economic position of the Gilbert and Ellice Islands remained disturbing based as it was on the exploitation of a single item, phosphate. Her delegation would like the United Kingdom representative to provide the Sub-Committee with detailed information on the activities of the Economic Development Committee, established in 1965 to promote the development of local industries.

21. The same observations applied to the situation in the Solomon Islands. It was hardly possible to comment at length on the constitutional proposals which were still under consideration, although it should be noted that even if they were implemented, the Legislative Council would still have a minority of elected members, while the Executive Council would remain a wholly nominated body.

22. The representative of the United States of America said that exports were an important source of revenue for the Solomon Islands and Gilbert and Ellice Islands. Although the Solomon Islands still needed grants-in-aid from the United Kingdom, the intention in that Territory also was to diversify an economy traditionally based on agriculture and copra; a new export product, lumber, had just been added to the latter. On the other hand, poor conditions for cultivation were an obstacle to the diversification and development of the economy of the Gilbert and Ellice Islands. Moreover, the likelihood that the phosphate deposits, which accounted for half the islands' exports, would be exhausted made it necessary to study carefully the economic problems which might arise. In regard to both the Solomon Islands and the Gilbert and Ellice Islands, it was generally to be hoped that the long-term economic development plans which had been undertaken would gradually raise the standard of living of the populations concerned and make the islands less dependent on grants-in-aid from the administering Powers. The previous year, the United Kingdom delegation had indicated that new measures were being considered to give the indigenous population a greater role in the political life of the Territories. In addition, the Secretariat's working paper on the Solomon Islands referred to the dissolution, planned for April 1967, of the present Legislative Council and to proposals concerning constitutional advance.

Those proposals provided for the introduction of universal adult suffrage and, in the longer term, for a majority of elected members in the Legislative Council. His delegation would like to know the current position in regard to those proposals. The same political development was taking place in the Gilbert and Ellice Islands. The previous year, the United Kingdom representative had referred to proposals, now under consideration, to replace the existing Executive Council by a Governing Council, composed of an equal number of appointed and elected members, which would have both executive and legislative powers, and also to replace the present Advisory Council by a House of Representatives consisting of twenty-three members elected by universal adult suffrage and seven nominated members. His delegation would welcome any new information on the proposals now being studied by the United Kingdom Government.

23. The representative of Iraq said that more information should be obtained from the administering Power on the constitutional reforms planned in the Solomon Islands and the Gilbert and Ellice Islands.

24. The representative of the United Kingdom said that he would endeavour to comment on all the questions put by representatives.

25. He said that he was surprised by the statements that had been made concerning military bases. Whether or not the runways installed on Canton and Enderbury Islands were sometimes used by military aircraft, those islands had previously been uninhabited and quite unconnected with the Gilbert and Ellice Islands, and their use for aviation purposes could have no possible effect on the development of the Territories under consideration and had nothing to do with the matters with which the Sub-Committee was concerned.

26. With regard to the Territories' economies, only the Solomon Islands received direct assistance from the United Kingdom in balancing its budget. A distinction must be made between budgetary aid of an administrative nature, which was a sign of an inadequate economy, and development aid intended to finance the expansion of agriculture, exports and social services. Steps were being taken to broaden and diversify the Territory's economy to make it less heavily dependent on budgetary aid. The Gilbert and Ellice Islands did not need help in balancing their budget but received assistance for economic development. Because the islands' phosphate deposits, their chief resource at present, were being exhausted,

the diversification of their economy was being encouraged. Copra production had increased, but was largely dependent on factors which could not be controlled, particularly rainfall.

27. There seemed to be some misunderstanding about the constitutional provisions proposed for the Gilbert and Ellice Islands and the Solomon Islands. It was true that the Gilbert and Ellice Islands still had only an Advisory Council, but the Administration had proposed its replacement by a house of representatives, and that proposal was at present being studied in London. The Solomon Islands already possessed a genuine Legislative Council, and there were proposals under consideration for a substantial increase in the number of its elected representatives. The fact that the High Commissioner and the Resident Commissioner were both empowered to make laws in those Territories did not alter the fact that proposed legislation was or would be considered and approved by the Councils. That system was similar to legislative procedures in the United Kingdom.

28. In accordance with the well-tried processes of constitutional advance in British Territories, the powers of the Resident Commissioner and High Commissioners were being gradually transferred to and shared with bodies with an increasingly elected large component and the Territories were making rapid strides towards self-government in accordance with the wishes of the leaders and the people. He regretted that some members of the Sub-Committee had not taken note of all the encouraging signs of progress in the Committee's report and the working documents. The rate of progress might seem too slow to some, but the only sound criterion for the pace of change and progress was the wishes of the populations themselves. The proposed new reforms would come into force in 1967, as had been decided in 1966. The exact dates would be fixed by decisions to be taken shortly in London.

29. At the next meeting the representative of the United Kingdom outlined for the Sub-Committee the essential features of the new Constitution which had entered into force on 1 April 1967 in the British Solomon Islands Protectorate after having been publicly discussed and unanimously adopted by the Legislative Council in December 1966. The membership of the Legislative Council had been enlarged, the number of non-official members having been increased from ten to a minimum of fourteen and a maximum of sixteen, and the number of official members from eleven to a minimum of four and a maximum of sixteen. Fourteen of the

non-official members would in principle be elected by direct election, except perhaps that in one or two constituencies, because of administrative and transport difficulties, they would be elected indirectly through electoral colleges elected by the local councils. In the rest of the Territory, a common electoral roll would be established. An Executive Council consisting of eight members (up to five non-official and not more than four official) would be created to advise the High Commissioner. The Constitution provided for adjustments to be made in the membership of the two Councils in order to make non-official majorities possible, and for the establishment of a system of collective responsibility in the Executive Council. On the basis of the new Constitution, general elections would be organized, probably in May and June 1967.

30. In reply to a question raised by the representative of India about the activities of the Economic Development Committee in the Gilbert and Ellice Islands, he explained that the Committee was a statutory body with a widely based membership, including persons outside the official sphere, which was consulted on major development matters. At its most recent meeting it had discussed, for example, certain important questions concerned with the development of tourism in the Territory.

31. The representative of Afghanistan said that he had expected the representative of the administering Power to inform the Sub-Committee of new developments in the Territories under consideration; however, he had merely referred the Sub-Committee to his statement in the Fourth Committee during the previous session. The Afghan delegation therefore concluded that the situation in the Territories had not changed; their economic and social development was slow and could not be considered satisfactory. In the Gilbert and Ellice Islands, any progress achieved by the establishment of a more representative body to replace the Executive Council would lose its value if the Resident Commissioner retained an unlimited right of veto or if important decisions were removed from the competence of the House of Representatives. The economic situation of the Territory remained disturbing, and the administering Power should study ways of diversifying its economy.

32. With regard to the Gilbert and Ellice Islands, the representative of Sierra Leone said that the constitutional proposals - still under consideration - mentioned by the representative of the United Kingdom did indeed mark some progress, but much more could perhaps be offered. In economic affairs, attention

should be paid to the possibilities of diversifying agriculture in order to alleviate the scarcity of existing resources, and the publication of the report of the Economic Development Committee would be awaited with interest. In addition, the growing development of the capital budget was an encouraging sign of the economic progress of the Territory and of its chances of attaining independence.

33. Pitcairn was such a small Territory with such a limited population that it was difficult to imagine that it could be independent, despite its favourable budgetary situation; but he hoped the administering Power would give the inhabitants an opportunity to make a final decision on their own future.

34. In the Solomon Islands, the constitutional measures which had been taken would be welcomed if they genuinely led to progress. He hoped that the number of elected members in the Legislative Council would be increased, and that such members alone would soon represent the people of the Territory.

35. The representative of Australia said that the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands had certain common features. All the islands were small and were spread over more than two million square miles of ocean. They were poor and their economic prospects were not encouraging. None of them was self-sufficient and most of them depended on assistance from the administering Power. The Gilbert and Ellice Islands had phosphate deposits, but those would be exhausted in twenty or thirty years. The Solomon Islands had only timber and subsistence crops.

36. The problem of distance and the lack of resources of the islands complicated their administration and hindered their economic development. The administering Powers would have to give a great deal more before granting the Territories self-government. The Sub-Committee should fully realize the difficulties facing the administering Powers, and should recognize them in its report.

37. In a further statement the representative of the United Kingdom informed the Sub-Committee that the United Kingdom Government had recently approved the amendments to the Constitution of the Gilbert and Ellice Islands prepared by the Resident Commissioner in co-operation with the Advisory Council. Whereas the legislative power had hitherto been entirely in the hands of the Resident Commissioner, who had chosen the members of both the Executive Council and the Advisory Council, the people could now participate more directly in the management

of their own affairs. The Territory would have two bodies: the Governing Council and the House of Representatives. The Governing Council would consist of not more than ten members, five of whom were official members, including the Resident Commissioner, and the rest elected; it would exercise full legislative power and would advise the Resident Commissioner on all executive matters.

38. The House of Representatives, composed of not more than thirty members, twenty-three of whom would be elected on the basis of universal adult suffrage, would be mainly an advisory body and the Governing Council would seek its advice on all legislative questions. In addition, it would appoint from among its members the five non-official members of the Governing Council.

39. The new Constitution was particularly interesting because it exemplified a new form of constitutional development in some of the smaller Territories administered by the United Kingdom, where, as an experiment, executive and legislative powers were being conferred upon a single body, although some features of the old system, where those powers had been separated, were still being retained. Although the House of Representatives had no legislative authority, it could nevertheless play a vital role in the constitutional development of the Territory. Moreover the United Kingdom Government had stated its willingness once there had been sufficient experience of working the new Constitution to convene a conference to consider what further constitutional advance might be desirable if and when the House of Representatives formally so requested.

40. He stated concerning the Legislative Council of the Solomon Islands that, apart from the High Commissioner, there would be three ex officio official members and other official members up to a maximum of twelve, two nominated non-official members, and fourteen elected non-official members. There was no discretion over the fourteen elected members, as in the case of twelve of the official seats. Therefore, if not all the official seats were filled, the elected members might well be in the majority. The Executive Council would be composed of three officials and up to five members of the Legislative Council, only one of whom might be an official; it was therefore likely that at least four members would be non-officials. In addition, as his delegation had previously stated, the Constitution provided for adjustments so that both councils might have a majority of non-official members.

Adoption of the report

41. At its 63rd meeting on 12 May 1967, the Sub-Committee adopted the present report subject to reservations made by the representatives of Australia and the United States who were not convinced that a visiting mission would be useful, and who believed that General Assembly resolution 1541 (XV) should be mentioned together with resolution 1514 (XV).

Conclusions of the Sub-Committee

42. The Sub-Committee notes: that although the administering Power has proposed to replace the Advisory Council by a House of Representatives in the Gilbert and Ellice Islands, this Council would still be an advisory body only; and that in the case of the Solomon Islands, under the features of the new Constitution, which entered into force on 1 April 1967, the enlarged Legislative Council could continue to have a minority of elected members and the Executive Council would continue to remain nominated to a large extent.

43. The Sub-Committee concludes that, although some progress has been made towards the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, as contained in General Assembly resolution 1514 (XV), it has not been very significant and should be speeded up; that the recommendations of the Special Committee in 1964 and of General Assembly resolution 2069 (XX) have not been adequately implemented; and that the economic base of the Territories needs to be strengthened.

44. The Sub-Committee is aware of the peculiar problems of these small and isolated islands.

Recommendations of the Sub-Committee

45. The Sub-Committee recommends to the Special Committee that it again reiterate to the administering Power the recommendations it made concerning these Territories in 1964.

CHAPTER XVI*

NIUE AND TOKELAU ISLANDS

I. ACTION PREVIOUSLY TAKEN BY THE SPECIAL COMMITTEE
AND BY THE GENERAL ASSEMBLY

1. In 1964 the Special Committee adopted conclusions and recommendations concerning Niue and the Tokelau Islands.^{1/} After considering the Territories in 1966, it reiterated the recommendations it had adopted in 1964 and recommended, inter alia, that their people should be enabled to express their wishes in accordance with the provisions of General Assembly resolution 1514 (XV) of 14 December 1960, through well-established democratic processes under United Nations supervision, and that further and immediate economic measures should be taken to develop and strengthen the economic structure of the Territories in co-operation with the United Nations and the specialized agencies. It also recommended that a visit to the Territories by Sub-Committee II of the Special Committee was necessary, and would be useful in gathering information, and in familiarizing the people with the assistance that could be rendered by the United Nations in regard to the free expression of their wishes pursuant to the Declaration contained in resolution 1514 (XV). The Committee finally recommended that steps be taken to arrange a visit in consultation with the administering Powers.^{2/}

2. At its twentieth session the General Assembly adopted resolution 2069 (XX) of 16 December 1965 concerning twenty-six Territories, including Niue and the Tokelau Islands. At its twenty-first session, it adopted resolution 2232 (XXI) of 20 December 1966, concerning twenty-five Territories, including Niue and the Tokelau Islands. The resolution called upon the administering Powers to implement

* Parts I and II of this chapter were previously issued under the symbol A/AC.109/L.357.

^{1/} Official Records of the General Assembly, Nineteenth Session, Annex No. 8 (A/5800/Rev.1), chapter XV, paras. 111-115.

^{2/} A/6300/Add.9, chapter XVI, paras. 21 and 22.

without delay the relevant resolutions of the General Assembly. It reiterated the Assembly's declaration that any attempt aimed at the partial or total disruption of the national unity and territorial integrity of colonial Territories and the establishment of military bases and installations in these Territories was incompatible with the purposes and principles of the Charter of the United Nations and of General Assembly resolution 1514 (XV). It urged the administering Powers to allow visiting missions to visit the Territories and to extend to them full co-operation and assistance. It decided that the United Nations should render all help to the peoples of the Territories in their efforts freely to decide their future status. Finally, it requested the Special Committee to pay special attention to the Territories and to report on the implementation of the present resolution to the General Assembly at its twenty-second session.

II. INFORMATION ON THE TERRITORIES^{3/}

A. NIUE

General

3. At 31 March 1966, the population of Niue was estimated at 5,157. Each year from 200 to 300 Niueans leave Niue. In 1965, the deficit between those leaving and returning was 103.

Status

4. Niue is included within the boundaries of New Zealand and is governed under authority of the Cook Island Act, 1915, and subsequent amendments. The inhabitants are British subjects and New Zealand citizens.

Executive and legislative government

5. Executive functions of government are carried out by a Resident Commissioner who is responsible to the New Zealand Minister of Island Territories. The Executive

^{3/} Information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information transmitted to the Secretary-General by the New Zealand Government under Article 73 e of the Charter on 17 October 1966, for the year ending 31 March 1966.

Committee, elected by the Niue Island Assembly, consists of four (formerly three) members with the Resident Commissioner as Chairman. It may report and make recommendations on any matter referred to it by the Commissioner or the Assembly.

6. Legislation is enacted by the New Zealand Parliament or by ordinances of the Niue Island Assembly which consists of fourteen Niueans and the Resident Commissioner, who is President. Ordinances require the assent of the Resident Commissioner or the Governor-General of New Zealand. The Niue Island Assembly has budgetary control of expenditure of all government moneys including New Zealand grants and loans moneys and funds raised locally.

7. As noted in a previous report,^{4/} the Niue Island Assembly in January 1966 supported the recommendations in a report on the constitutional development of Niue made by a team of constitutional experts in 1965. They had recommended, inter alia, to the Niue Island Assembly that earlier proposals for a fixed timetable of constitutional development leading to full cabinet government cease to be the basis of the constitutional discussions; and that the discussions be confined to the immediate step to be taken to give the Assembly a further measure of control over and responsibility for their own local affairs. The step recommended was the introduction of a "member" system under which individually elected members of the Executive Committee would be given responsibility for a particular department or departments of the Administration and the election of one of the members as Leader of Government Business. The Leader would be responsible for the central secretariat and would speak for it in the Assembly. He would also speak for the Executive Committee as a whole.

8. In the recent elections the report was one of the issues before the electorate. They resulted in four changes in the membership of the Niue Assembly, which decided to proceed with the adoption of the member system. In September 1966, the member system was inaugurated. Under this system the four members of the Executive Committee have been placed in charge of some government departments.

^{4/} A/6300/Add.9, chapter XVI, annex.

Village councils

9. Village government has been largely in the hands of the local Assembly member, the pastor and the constable in each village. The Assembly has agreed in principle to the formation of village councils to be responsible for village affairs. A senior officer of the Niue Government undertook a study tour of the Territory of Papua and New Guinea in August 1965 under the sponsorship of the South Pacific Commission to study local government administration in that Territory. Legislation for the establishment of village councils was being drafted in 1966.

Electoral system

10. The members of the Niue Island Assembly are elected by universal adult suffrage. The last election was held in April 1966.

Economic conditions

11. Niue's economy is based on subsistence fishing and agriculture, as well as the production of a few cash crops, chiefly copra and bananas, and handicraft articles for export. The rocky nature of much of the island makes it unsuitable for agriculture or animal husbandry. Exports in 1965 amounted to £65,193, compared with £77,935 in 1964. Imports amounted to £250,993, compared with £228,210 the previous year. Approximately 73 per cent of all imports came from New Zealand which received 85 per cent of the island's exports. In 1965/66, expenditures were £617,542, compared with £523,981 the previous year. Niue's revenue from exports and taxes is insufficient to balance its budget, and New Zealand makes annual grants for general and capital purposes and for meeting budgetary deficits. In 1964/65, the subsidy amounted to £347,500, compared with £301,300 the previous year.

Social conditions

12. Labour. The basic wage rates in March 1965 were 1s.11d per hour for unskilled labour, 2s.1d for stevedores and a varying scale for skilled labour. No labour unions have been registered but a committee exists to determine special allowances for stevedoring, and workers have a voice on this committee.

13. Public health. Medical services are provided by the Government Health Department under the control of a chief medical officer. There are no private medical or dental practitioners. In March 1965, the staff of thirty-nine persons consisted of Niueans with the exception of the chief medical officer and four nurses recruited from New Zealand. Expenditures on health services for the year ending March 1965 were £53,111. All medical and dental treatment is free of charge.

Educational conditions

14. Education is free and compulsory between the ages of 6 and 14 years and most children remain at school until they reach 16. Post-primary education is available to all, and most students who leave primary school attend high school. At 31 March 1966, thirty-two students were attending New Zealand secondary schools under the New Zealand Government Training Scheme and six were taking a three-year course at the agricultural college in Western Samoa. Educational expenditures for the year ending 31 March 1966 totalled £123,544, compared with £100,000 the previous year.

B. TOKELAU ISLANDS

General

15. The population of the three Tokelau Islands totalled 1,861 at 25 September 1965.

Constitutional and political development

16. The High Commissioner for New Zealand in Western Samoa is the Administrator of the Tokelau Islands. The Administrative Officer who is also based in Western Samoa makes regular visits to the Tokelau Islands. In the three atolls of the Territory local public services are carried out by appointed Tokelau officials.

17. In 1964, the Tokelau Islanders at a general meeting decided not to join the independent State of Western Samoa or the Cook Islands, but to remain linked with New Zealand. In January 1966, the New Zealand Minister for Island Territories visited the Tokelauans and obtained confirmation concerning this and their desire to retain the right to migrate to New Zealand.

18. In 1966, the New Zealand Cabinet agreed that a move towards fuller self-government should be undertaken by giving councils of elders and heads of families formal consultative status in the determining of priorities of government work in the preparation of the annual budget, and that a pilot scheme to speed up the existing assisted migration projects should be set in motion. It also decided on improvements in the system of education and on an expanded public works programme. Subsequently a joint fono of Tokelauan representatives reconfirmed the islanders' wish to remain linked with New Zealand and expressed support for the pilot migration scheme and measures.

Economic conditions

19. The economy of the Tokelau Islands is based on subsistence crops, fishing and the production of copra for export. Revenue is derived chiefly from export and import duties, trading profits and the sale of postage stamps. The annual deficit between local revenue and expenditure is met by subsidies from the New Zealand Government. Expenditures in 1965 totalled £37,913. Information is not available on local revenue.

Social conditions

20. The Government of Western Samoa assists with the medical services of the Territory and regular visits are made by its medical staff. Two Samoan medical officers are stationed on Tokelau. In 1966, two Tokelauans were in training at the Suva Medical School in Fiji.

Educational conditions

21. School attendance in the Territory is reported to be very close to 100 per cent. The Tokelau Administration awards scholarships to enable children and public servants to receive secondary education in Western Samoa. The New Zealand Government assists students and public servants under the New Zealand Government Training Scheme. At 31 March 1966, there were twenty-three long-term students and trainees from the Territory in New Zealand. Thirty-one additional Tokelauans were being trained in Western Samoa and Fiji.

III. CONSIDERATION BY THE SPECIAL COMMITTEE

22. At its 562nd, 563rd and 564th meetings on 22 and 27 September 1967, the Special Committee considered the report of Sub-Committee II on Niue and the Tokelau Islands which appears as an annex to this chapter.

23. In a letter dated 22 September 1967, the representative of New Zealand asked to participate in the Committee's debate on these Territories (A/AC.109/275). At its 563rd meeting, the Special Committee decided to accede to this request.

24. The representatives of the United Kingdom of Great Britain and Northern Ireland, the United States of America and Australia expressed reservations on the conclusions and recommendations of Sub-Committee II with regard to the Territories under consideration.

25. The representative of the Union of Soviet Socialist Republics suggested that the words "and the hesitancy of the people of Niue to quicken their rate of progress" in paragraph 36 of the Sub-Committee's report (see annex) should be deleted, as those words might be interpreted to mean that it was the fault of the people of the Territory that they had not been granted self-determination. He could not agree with such a concept.

26. The representative of the United Kingdom said that he would be opposed to that amendment since it disregarded the facts which had been presented to the Sub-Committee. As the members of the Sub-Committee had recognized, it was the Niueans themselves who had asked that the move towards cabinet government should be slowed down.

27. The representative of Australia said that he too would oppose the amendment, since the statement in question was a statement of fact. The representative of New Zealand had explained the situation to the Sub-Committee and his explanation had been accepted by the members. He thought that other members of the Sub-Committee would agree that the words in question in paragraph 36 should be retained.

28. The representative of the United Republic of Tanzania supported the Soviet Union amendment. The inclusion of the words in question in the Committee's conclusions would be dangerous. The majority of the members of the Special Committee had always felt that the Committee should be allowed to visit colonial

Territories in order to appraise the situation there, but in most cases the administering Power had refused to allow such visits. His delegation found it hard to accept the statement of a colonial Power without being able to verify its accuracy, and the Committee had frequently in the past refused to rely on the statements of colonial Powers in such circumstances.

29. The representative of Sierra Leone said that the members of the Sub-Committee had felt that progress towards self-determination had been slow in Niue, and they had been informed that the people of Niue did not favour immediate independence. He thought that paragraph 36 accurately reflected the conclusions of the majority of the members of the Sub-Committee.

30. The representative of Mali supported the Soviet Union amendment. His delegation could not accept the suggestion that the people were hesitant about progress to independence. The problem was that the Special Committee had not been able to verify the situation on the spot. In such circumstances, the Special Committee should not agree to wording which appeared to excuse the policies of the administering Power.

31. The representative of Tunisia said that he had doubts regarding the proposed amendment since the purpose of the paragraph was not to excuse the administering Power but to criticize it for failing to ensure the adequate education of the indigenous inhabitants.

32. The representative of Australia thought that the best course would be to vote on the Soviet Union amendment immediately. The phrase had been included by the Sub-Committee after the administering Power had explained the situation at length, and it reflected the consensus of the Sub-Committee.

33. The representative of the United States of America opposed the Soviet amendment. The Sub-Committee had produced its formulation on the basis of the evidence available to it, and to delete it now for some tactical reason would be to call in question the objectivity of the whole report.

34. The Chairman said that he did not think the Soviet Union amendment called in question the Sub-Committee's objectivity; he recalled that in the past the Special Committee had frequently amended proposals submitted to it by its Sub-Committees.

35. The representative of the United Republic of Tanzania proposed that paragraph 36 should be replaced by the following text:

"The Sub-Committee is of the opinion that the slow progress in Niue and the Tokelau Islands towards self-determination and independence is due, in part, to inadequate training and education of the indigenous inhabitants."

36. The representative of the Union of Soviet Socialist Republics withdrew the amendment he had proposed and expressed his delegation's support for the Tanzanian amendment.

37. The representative of New Zealand said that, in his delegation's view, several judgements made in paragraph 36 were inaccurate and misleading. The Niueans were not "hesitant" - they had firm views on the rate at which they wished to assume further powers and they pursued their objectives with some vigour. In any event, the rate of progress in both Territories was, in fact, comparatively swift. Over the last five years Niue had assumed legislative powers encompassing full control of its own budget - including the New Zealand subsidy - and in the last year it had assumed executive control of half the government departments. New Zealand was willing to transfer control of the remaining departments whenever the islanders so desired.

38. Moreover, the pragmatic attitude of the Niueans to their constitutional advance did not spring, as the text before the Committee implied, from a lack of education or political sophistication; the discussions on the subject in the Legislative Assembly in January 1967, briefly summarized in the working paper (see para. 7 above) were evidence of that body's considerable political maturity. The Assembly had at that time expressed its opinion that the pace of development towards self-government was neither too fast nor too slow and had sought assurances from the administering Power that no further changes would be undertaken without full consultation with the Assembly and the people. The Secretary for Island Territories had given the Assembly those assurances and the New Zealand Government, in its annual report to Parliament on Niue, had reaffirmed its position that the pace of development was ultimately a matter for the people to decide. The Minister of Island Territories had told the Assembly that while, ideally, the people of Niue should take control of their own affairs as soon as possible, the New Zealand Government's attitude to their progress must naturally be tempered by its respect for the Niueans' own wishes.

39. His delegation believed that the attitude of the New Zealand Government and of the people of Niue was completely consistent with the provisions of General Assembly resolution 1514 (XV) which, in calling for the transfer of powers to the people of Non-Self-Governing Territories, qualified this by adding "in accordance with their freely expressed will and desire".

40. The representative of Mali said that the New Zealand Government had accepted the Legislative Assembly's judgement on the inadequacy of the indigenous inhabitants' education and training but that the Assembly's judgement was not necessarily correct. Moreover, the firm support of the people of Niue for the current pace of constitutional advance could not be taken for granted if the entire people had not been consulted on the subject. His delegation accordingly supported the amendment proposed by the representative of Tanzania.

41. The representative of Venezuela said that the Tanzanian amendment would have the effect of deleting a phrase which implied a criticism of the attitude of the people of Niue and that his delegation therefore supported it.

42. The representative of New Zealand pointed out, in reply to the representative of Mali, that the people of Niue had made no final decision on the form of full self-government they would eventually choose, but that there had been several occasions when the question had been fully discussed. The New Zealand Government had had the Declaration translated into the local language and distributed throughout the island and a New Zealand Minister had outlined his Government's obligation under the Declaration to the Legislative Assembly as early as 1962. On that occasion, the choices available - full independence, partnership in a federation or association with neighbouring States, integration with a neighbouring State or any other State - had been explained to the Assembly. In 1964, two experts on constitutional matters had visited Niue and discussed the island's future with representatives of the people - with participation by members of the public - and had drawn up a programme for a form of cabinet government by 1966. The Assembly of Niue, however, had rejected the programme and expressed a preference for a less precipitate timetable in which full self-government was to be preceded by a "membership" system (see para. 17 above); that decision had been confirmed by the people at elections held as recently as April 1966.

43. The proposed amendment to paragraph 36 implied that the education and training of the people of Niue were inadequate. It should be noted that free compulsory education was provided for all children between the ages of 6 and 14 and that the high school had the standing of a New Zealand secondary school. In March 1967, there had been fifty-three Niuean students undertaking higher studies in New Zealand and thirteen more had undertaken short-term training courses over the previous year. Educational opportunities were therefore very adequate for a population of 5,000.

44. The representatives of Chile and the Ivory Coast supported the Tanzanian amendment.

45. The representative of India said that it appeared from the information available to the Special Committee that it was the Legislative Assembly and not the people of Niue which had expressed its views on the rate of progress towards self-determination and independence. He therefore suggested that paragraph 36 should be amended to read "... and the reported hesitancy of the Legislative Assembly of Niue to quicken the rate of progress...".

46. The representative of Tunisia noted that the Tanzanian amendment might conflict with the statement in paragraph 35 that political changes had occurred in Niue. In addition, it was not clear whether the words "slow progress" referred to political or other progress.

47. The representative of the United Republic of Tanzania said that he saw no contradiction between his amendment and paragraph 35; the Sub-Committee would merely be noting that although political changes had occurred in Niue, progress had been slow.

48. He hoped that the representative of India would not insist on his suggestion, since any hesitancy to quicken the rate of progress was usually attributable to the administering Power, even if it tried to lay the blame at the door of the people or of legislative bodies.

49. The representative of Sierra Leone drew attention to paragraph 7 of the Sub-Committee's report. The statement referred to in that paragraph, like the statements of the New Zealand representative, clearly indicated that the Legislative Assembly of Niue was not eager to accelerate the island's progress

towards self-determination and independence. That fact should be reflected in the report, and he therefore supported the suggestion put forward by the Indian representative.

50. The representative of New Zealand said that it would be quite wrong to suggest that the Legislative Assembly was showing any hesitancy. Its views had been expressed in May 1966, just a couple of weeks after an election in which the successful candidates had advocated a policy of gradual advance and the maintenance of links with New Zealand. Thus, the people as a whole, and their elected representatives in the Legislative Assembly, were firm in their conviction that they should pursue their political advance at a pace they determined themselves.

51. The representative of the United Republic of Tanzania said that the Legislative Assembly was not an organ of the people but a colonial institution and, as such, an instrument of the administering Power. The hesitancy to quicken the rate of progress should therefore be attributed to the administering Power itself rather than to any particular element in the colonial system.

52. The representative of India recalled that the paragraph in question had been drafted in order to show that any such hesitancy resulted partly from the administering Power's failure to prepare the people adequately for self-determination and independence.

53. The representative of New Zealand, replying to the representative of Tanzania, said that there could be no question of fixing "blame" in the situation. If an administering Power placed no obstacle in the way of progress towards self-determination and the people freely decided on what seemed to be regarded as a comparatively slow pace of advance, no blame attached to any institution or any person. This was perfectly consistent with General Assembly resolution 1514 (XV). The suggestion that the Legislative Assembly of Niue was a colonial institution and was therefore not representative of the people would not be well received in Niue itself.

54. The representative of the United Republic of Tanzania said that all institutions in colonial Territories were colonial institutions and only became organs of the people when the people had exercised their right to self-determination and independence.

55. The representative of Tunisia said that paragraphs 5, 6 and 7 of the Sub-Committee's report showed clearly that there had been some progress in Niue. The Tanzanian amendment might seem inconsistent with those paragraphs.
56. The representative of the United Kingdom said that in addition to the general reservation put forward earlier, his delegation wished to express a reservation regarding the reference to inadequate training and education of the indigenous inhabitants. Had there been a separate vote on the paragraph, the United Kingdom would have abstained.
57. The representative of the United States of America expressed his delegation's reservations about the Tanzanian amendment. The United States would also have abstained if a separate vote had been taken on the paragraph.
58. The Special Committee approved the Tanzanian amendment to paragraph 36.
59. The representative of the Union of Soviet Socialist Republics said that it would be wrong to state in paragraph 38 of the Sub-Committee's report that the assurance given by the administering Power regarding economic aid to the Territories was welcome, since such aid was an obligation incumbent upon the administering Power under the Charter. He therefore suggested that the Special Committee should merely note the assurance given by the administering Power and invite it to make efforts to lessen the economic dependence of the Territories.
60. In paragraph 39, the words "with satisfaction" should be deleted, since the willingness of the administering Power to receive a visiting mission to the Territories had been made conditional upon the agreement of other administering Powers to receive similar missions to Territories in the area.
61. The representative of the United Republic of Tanzania suggested the replacement, in paragraph 38, of the words "thus widening the choice of self-determination by the people" by the words "on the administering Power". Since the right of self-determination could never be lessened by economic dependence, it followed that it could not be "widened".
62. Although his delegation had welcomed the co-operation shown by the New Zealand Government in indicating a willingness to receive a visiting mission to the Territories, he supported the suggestion to delete the words "with satisfaction" from paragraph 39, in view of the condition which had been placed upon that willingness.

63. The representative of Mali supported the reservations on paragraphs 38 and 39 expressed by the representatives of the USSR and Tanzania. In particular, the second half of paragraph 38 should be redrafted along the lines suggested by the representative of the USSR, since the expression of a hope was out of place in a section of the report entitled "Conclusions and recommendations". Moreover, it was not certain that the efforts referred to would in fact lead to a lessening of the Territories' economic dependence.

64. The representative of Venezuela said that he did not share the views of preceding speakers on paragraphs 38 and 39. It was well known that the application of General Assembly resolution 1514 (XV) to small Territories involved certain difficulties, and the wording of paragraph 38 therefore seemed satisfactory. Similarly, the willingness of New Zealand to receive a visiting mission to the Territories was in marked contrast to the attitude taken by administering Powers in many other cases and should therefore be noted with satisfaction.

65. The representative of Madagascar supported the suggestion that the assurance referred to in paragraph 38 should be "noted". While the attitude of the New Zealand Government regarding a visiting mission to the Territories was a matter for some satisfaction, the fact remained that no mission would go to the Territories if other administering Powers refused to agree to a wider tour of the area.

66. The representative of the United Republic of Tanzania said that since other administering Powers had consistently refused to allow visiting missions to other Territories in the area, it was unrealistic to expect that steps could be taken to arrange a visiting mission to Niue and the Tokelau Islands. He therefore suggested that the last sentence of paragraph 43 should be replaced by the words "The Special Committee should call upon the administering Power to change its attitude as regards the limitations placed on its willingness to receive a visiting mission to go to the Territories".

67. The representative of Bulgaria agreed with the members of the Committee who had expressed reservations concerning the drafting of paragraphs 38 and 39. With regard to paragraph 39, he wished to point out to the representative of Venezuela that the conditions set by the administering Power made it practically impossible to send a United Nations mission to the Territories, in view of the attitude of other

administering Powers in the area. He therefore supported the Tanzanian proposal to redraft paragraph 39 so as to reflect the position of the administering Power more accurately.

68. The representative of Venezuela explained that in supporting the original wording of paragraph 39 he had felt that the members of Sub-Committee II must have had sound reasons for expressing satisfaction with the attitude of the administering Power towards visiting missions.

69. The representative of Madagascar suggested that paragraph 39 should be amended to begin with the words "The Special Committee notes the assurance given by the administering Power".

70. The representative of the Union of Soviet Socialist Republics proposed that paragraph 38 should be amended to read: "The Special Committee notes the assurance given by the administering Power of the continuance of economic aid to the Territories and invites the administering Power to undertake efforts with the United Nations specialized agencies to improve the economic structure of the Territories in order to lessen their economic dependence on the administering Power."

71. The representative of New Zealand said that he was puzzled by the attitude of members of the Special Committee towards the assurances of continuing assistance given by New Zealand. The representative of the Soviet Union, for example, had said that the Committee could hardly welcome New Zealand's assurance about continuing economic aid. However, if such an assurance had not been given, New Zealand would undoubtedly have been accused of bringing pressure to bear in order to influence a people's choice concerning their future. New Zealand certainly contemplated providing continuing aid to the Territories now under discussion since there were, for example, both ethnic and historical ties between the Polynesians of Niue and the Tokelaus and those in New Zealand itself. But to suggest that New Zealand had such a duty on economic grounds was absurd since its economic support of the Territories had been costing it dear for fifty years.

72. The attitude of the New Zealand Government towards visiting missions was stated correctly in paragraph 39. New Zealand had not sought the Sub-Committee's expression of satisfaction but acknowledged it. It felt that the dispatch of a visiting mission to two of the smallest Territories in the South Pacific might be

misinterpreted in the area and suggest to the inhabitants that the United Nations was especially disturbed by the situation in these Territories.

73. The representative of Chile proposed, as a compromise, that paragraph 30 should remain as it stood, with the addition of the words "and urges it to eliminate the difficulties that place limitations on the visit and prevent a wider tour of the area". He pointed out that New Zealand was the administering Power that had afforded the greatest facilities to United Nations visiting missions in that part of the world.

74. The representative of Venezuela supported that proposal.

75. The representative of the United Republic of Tanzania reminded the Committee of his suggestion that the words "thus widening the choice of self-determination by the people" in paragraph 38 should be replaced by "on the administering Power".

76. The representative of Venezuela thought that an allusion to economic dependence "on the administering Power" would give the impression of contradicting the first part of paragraph 38, which read "economic aid to the Territories, whatever their future". The Territories might not necessarily be dependent on the administering Power in the future.

77. The representative of the United Republic of Tanzania asked whether, if the Soviet amendment was adopted, the USSR delegation would wish paragraph 42 to be retained or deleted.

78. The representative of the Union of Soviet Socialist Republics observed that it was not true to say, as was done in paragraph 38, that the people had a wider choice of self-determination; in fact, that choice was more limited. His amendment to paragraph 38 combined the features of those proposed by Tanzania and Madagascar, which his delegation had supported. He had no objection to its being incorporated in the recommendations. He had no strong feelings with regard to paragraph 42, which in some degree reflected the views expressed in the Special Committee concerning the need for economic reforms in the Territories and the assistance which the specialized agencies of the United Nations should provide in co-operation with the administering Power.

79. The representative of Tunisia said he saw no inconsistency between the Malagasy and Tanzanian amendments and the Soviet amendment. He considered that

paragraph 42 should be incorporated in the recommendations, as it was natural that the recommendations should repeat the views expressed in the conclusions.

80. The Special Committee approved the USSR amendment to paragraph 38. It also decided that, as a consequence, it would not be necessary to put to the vote the amendments to that paragraph proposed by Madagascar and Tanzania.

81. The representative of Madagascar said that he had not formally submitted an amendment, but if the Committee so desired it could adopt the wording suggested by his delegation for paragraph 39.

82. The representative of Venezuela recalled that he had supported the Chilean amendment, which, in his opinion, summed up the arguments advanced in the Committee concerning the difficulties encountered in connexion with sending a visiting mission.

83. The Chairman said that some delegations which he had consulted had expressed the view that the Chilean amendment would change the meaning of paragraph 39, as it was the declared intention of the administering Power to agree to the visiting mission only if it were to form part of a wider tour of the area. Perhaps paragraph 39 could end at the words "a visiting mission".

84. The representative of Chile said that he found the Chairman's suggestion satisfactory and was prepared to accept it.

85. The representative of Venezuela said that he had no objection to the Chairman's suggestion but would have preferred the Chilean amendment, which specified the nature of the limitations placed on the visiting mission.

86. The representative of the United Republic of Tanzania said that, if the representative of Chile agreed to the compromise suggested by the Chairman, he would not press his own amendment.

87. The Special Committee then approved the Chilean representative's proposal, with the amendment which the Chairman had suggested.

88. The representative of New Zealand said that the fact that in a year in which there had been significant constitutional advances made in the Territories a report had been produced which referred to "slow progress" was both illogical and discouraging to the people of the Territories and the administering Power, which was doing all it could to implement General Assembly resolution 1514 (XV). During a few hours of discussion the Committee had made several substantive changes to the

report of Sub-Committee II, which was itself a grudging document. But there had been few references in this discussion to the freely expressed views of the people, to the constitutional position reached, to the particular geographic circumstances of Niue and the Tokelau Islands or to their extremely limited economic prospects.

89. Furthermore, the amendment to paragraph 36 which suggested that "slow progress" had been made in Niue conflicted directly with the recognition in the preceding paragraph that changes had occurred which were acknowledged to represent an advance worthy of note.

90. His delegation was led to wonder, when sub-committee reports were substantially rewritten in plenary in this way, whether there was much point in making a full report to a sub-committee and participating in its work. His doubts were intensified by the lack of inclination of Sub-Committee members to defend a report which they had formally debated and adopted.

91. The situation in the islands did not call for adverse comment: the administering Government was ready to "transfer all powers", as required by resolution 1514 (XV), if this were the wish of the people; the people themselves, with full financial powers and feeling their way into the exercise of executive powers, had plainly stated, through freely conducted electoral processes, that they wished to maintain the current rate of constitutional progress. They were moving toward exercising their undenied right to self-determination in the comparatively near future.

92. But they faced a considerable dilemma. These were not extensive colonial Territories on the classical pattern where independence was the obvious choice for the future. These were very small and poor pieces of land: Niue was a mere 100 square miles in area, had only small pockets of fertile soil and was situated hundreds of miles from its nearest neighbour; the Tokelaus were strips of coral totalling only four square miles in area and had no economic future. The fact that they were tiny, isolated and permanently dependent on outside assistance did not lessen the rights of the 7,000 people involved to self-determination but the people themselves felt - and with undeniable realism - that their physical and economic circumstances restricted their choice somewhat and rendered their decision on the future more complex and difficult.

93. The New Zealand representative suggested that for people facing such a dilemma and seeking advice and guidance in the Special Committee's reports it was not enough simply to reaffirm rights which were undenied and to make vague and often inaccurate judgements and recommendations about accelerating political and economic progress.

94. The Chairman pointed out that, once the report of a sub-committee had been submitted to the Special Committee, it became the latter's property and members could express their views on it and submit amendments. He was surprised that the representative of New Zealand had seen fit to say that the report of Sub-Committee II on Niue and the Tokelau Islands was being adopted after only a few hours debate. In fact, it was the third time that it had been included on the agenda of the Special Committee, which could decide to introduce any amendments or suggestions it deemed appropriate.

IV. ACTION TAKEN BY THE SPECIAL COMMITTEE

95. At its 564th meeting on 27 September 1967, the Special Committee adopted the conclusions and recommendations of Sub-Committee II concerning Niue and the Tokelau Islands, as amended it being understood that the reservations expressed by some members would be reflected in the record. These conclusions and recommendations are as follows:

Conclusions

- (1) The Special Committee notes the political changes that have occurred in Niue but observes that a corresponding advancement has not been made in the Tokelau Islands.
- (2) The Special Committee is of the opinion that the slow progress in Niue and the Tokelau Islands towards self-determination and independence is due, in part, to inadequate training and education of the indigenous people.
- (3) The Special Committee is of the opinion that the problems of size, isolation and limited resources, though important in themselves, should not in any way delay the implementation of General Assembly resolution 1514 (XV) in these Territories.

Recommendations

(4) The Special Committee reaffirms the inalienable right of the people of the Territories of Niue and the Tokelau Islands to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV). It is of the view that the question of size, isolation and limited resources should not in any way delay the application of that resolution to these Territories.

(5) The administering Power should further increase the training of the indigenous people so that they could occupy all key positions in the life of the Territories and build the confidence so necessary for their future development.

(6) The Special Committee notes the assurance given by the administering Power of the continuance of economic aid to the Territories and invites the administering Power to undertake efforts with the United Nations specialized agencies to improve the economic structure in order to lessen their economic dependence on the administering Power.

(7) Further and immediate measures should be taken by the administering Power to develop the economic structure of these Territories; the United Nations and the specialized agencies should be asked to continue their co-operation.

(8) A visit to the Territories by the Sub-Committee is necessary and could be useful in gathering all information and also in familiarizing the people with the assistance which can be rendered by the United Nations in regard to the free expression of their wishes pursuant to the Declaration contained in General Assembly resolution 1514 (XV). In this connexion, the Special Committee notes with satisfaction the continued willingness of the administering Power to receive a visiting mission.

ANNEX*

REPORT OF SUB-COMMITTEE II ON NIUE AND THE TOKELAU ISLANDS

Consideration by the Sub-Committee

1. The Sub-Committee considered Niue and the Tokelau Islands at its 61st, 63rd, 65th, 66th and 69th meetings held from 14 April to 7 September 1967.
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see paras. 1-21 of the present chapter).
3. In accordance with the procedure agreed upon by the Special Committee, the Chairman invited the representative of New Zealand to participate in the consideration of the two Territories.
4. The representative of New Zealand said that the inhabitants of Niue, who were related to the New Zealand Maori, had shown themselves to be highly pragmatic in deciding where their interests lay. The islanders made a living from planting the thin soils. Their most important customer and supplier was New Zealand, which subsidized more than half of the Niue budget. Control of the island's income (both the New Zealand subsidy and internal revenue) had been in the hands of the Niue Legislature itself for the past five years.
5. In 1962 a start had been made towards self-determination in the Territory when it had been suggested to the Niueans that several choices for the future lay before them; independence (alone or as part of a federation), integration with an independent State or self-government in free association with some other State. The Legislative Assembly, which was made up of representatives elected on a "one man, one vote" basis, with the Resident Commissioner as President, had made no final decision but had proposed that the Territory should advance towards a greater degree of self-government while retaining its links with New Zealand. The New Zealand Government had then drawn up a time-table providing for the establishment of cabinet government by about 1967. The members of the Assembly had, however, preferred postponing that step until after the establishment of a system under which

* Previously issued under the symbol A/AC.109/L.395/Add.4.

the administration of one or more government departments would be entrusted to members of the Executive Committee (member system), and that decision had, in effect, been confirmed by the people at the elections held in April 1966.

6. In September 1966 an embryo Cabinet consisting of members of the Executive Committee responsible to the Legislature for their administration had assumed responsibility for the Departments of Public Works and Electricity, Post Office, Radio and Telephones, and Police and Prisons. The next step would be the assumption by the Leader of Government Business of responsibility for the Administrative Department. The pace at which the remaining portfolios would be allocated would be decided entirely by the Executive Committee itself, and New Zealand would endorse any such decision.

7. On 29 January 1967 a member of the Assembly, speaking on behalf of his colleagues, had stated in the presence of the Secretary of the New Zealand Department of Island Territories that the tempo of development toward self-government was neither too fast nor too slow and was completely in line with the Assembly's decision. He had asked that there should be no sudden assumption of new responsibilities, since members of the Executive Committee required time to gain knowledge of their executive roles. Furthermore, the Assembly believed that no new measure should be considered without full consultation with the Assembly, in order that development might keep pace with the wishes of the people. The Secretary of Island Territories had assured the Assembly that no further moves would be made before it had been fully consulted.

8. Thus, the Niueans were drawing up their own laws, controlling both their own revenue and the subsidy from New Zealand, and gradually assuming the executive powers formerly vested solely in the Resident Commissioner. For its part, New Zealand would not place any barriers in the way of their development.

9. Another event of constitutional significance was the adoption of an ordinance by the Assembly providing for the establishment of village councils, with a view to strengthening community pride and fostering community development activities at the local level.

10. In the economic sphere, the Assembly had set up a Development Board responsible for carrying out agricultural and industrial projects and for making funds available for them. Seven of the nine members of the Board, including its Chairman, were Niueans. The Board had many serious problems on its hands. The

after-effects of two hurricanes, fluctuating prices, insect pests, manpower shortages and infrequent shipping services, had all contributed to a decline in the exports of primary products. To seek solutions for these problems, a five-year plan had been drawn up which the Development Board had accepted in principle. A first move had been made towards developing the kind of combined coconut and cattle industry which seemed best suited to South Pacific Island conditions. There were also plans to develop honey production, and fruit and market-garden crops.

11. The Niueans had been encouraged by New Zealand to make use of the assistance which the United Nations and the specialized agencies could provide. It was hoped that, in addition to the aid already furnished, the international organizations would be able to supply a development economist and a harbour expert, and a fellowship that would enable a Niuean to study community development abroad, and that they would also participate in carrying out a water supply scheme.

12. With help from New Zealand and the United Nations and the display of initiative in Niue itself, the long-term prospects for raising production and living standards were not without promise, although it would probably be a long time before the Territory would be in any sense self-sustaining.

13. The economic prospects of the Tokelau Islands, isolated and infertile atolls having a total area of four square miles, were virtually nil. Under such circumstances, it was small wonder that many Tokelauans wished to migrate to New Zealand, the land of opportunity for many Pacific Islanders. When, several years previously, New Zealand had expressed itself as unwilling to see the colonial relationship with the Islands perpetuated, the population had rejected the idea of an association with neighbouring island groups and had reaffirmed its desire for a continuing link with New Zealand. It would be for the inhabitants themselves eventually to choose among the different possibilities open to them. In the meantime, the fonos, the local island councils which were made up of heads of families, were being accorded formal consultative status in governmental work and the preparation of the budget. The draft estimates for the current financial year amounted to approximately \$215,000 compared with \$112,000 in 1966/67. Much of the funds would be directed towards modernizing the educational system, repairing damage caused by hurricanes and improving communications. Other projects under study were a rat-control programme and a programme for controlling an insect

coconut-predator, to be undertaken in co-operation with a project in Western Samoa in which both the South Pacific Commission and the United Nations Special Fund were involved.

14. In 1966, New Zealand had indicated that at the request of the Tokelauan fonos, it had agreed to finance a pilot scheme for migration: under the two-year scheme, some ninety Tokelauans had already moved to New Zealand and many others wished to follow.

15. No final decision on the future had been taken in the Territories. It was for the inhabitants themselves to decide on their future. The Niueans and Tokelauans, who seemed sensitive to "the special circumstances of geographic isolation and economic conditions" mentioned in General Assembly resolution 2232 (XXI) and who had ethnic, historical and economic ties with New Zealand, appeared to want to retain a direct link of some sort and wished to safeguard their right of unrestricted entry to New Zealand's broader life. They were free to decide where their future lay, whenever they so wished through the "well-established democratic processes" available to them. The islands had no commercial or strategic significance for New Zealand and the islanders had been made aware some years earlier of the rights mentioned in the Declaration on colonialism, which had been distributed in the Niuean and Tokelauan languages.

16. The representative of Chile said that he was glad to note that the administering Power had in general respected the General Assembly's recommendations in resolution 2232 (XXI) concerning a number of small islands, including Niue and Tokelau, and that it intended to co-operate with the United Nations in regard to visiting missions, the dispatch of which had been recommended in operative paragraph 5 of that resolution.

17. The working paper prepared by the Secretariat (see paras. 1-21 above) and the statements of the representative of the administering Power had enabled members of the Sub-Committee to form a precise idea of the situation in those Territories, whose development was impeded by their geographical isolation and lack of natural resources. Niue had made considerable political progress and the Niue Island Assembly, which consisted of fourteen Niueans and the Resident Commissioner, had fairly extensive powers. It could promulgate laws by ordinance, without having to refer them to the Governor General of New Zealand and exercised budgetary control over all government expenditure, including New Zealand grants and loans and all

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funds raised locally. As far as constitutional matters were concerned, the recommendations of a team of constitutional experts had been approved by the Niuean electorate in April 1966. The proposed "member" system had been adopted and under it each of the four elected members of the Executive Committee had been given responsibility for certain ministerial departments.

18. In paragraph 9 of the working paper it was stated that legislation for the establishment of village councils was being drafted. His delegation would like fuller details. It was gratified to note that the administering Power had prepared a five-year plan for Niue's economic development and it considered that the United Nations and the specialized agencies could make a valuable contribution by providing technical assistance. The administering Power had already done much for education, although it might perhaps institute a system of scholarships to enable more Niueans to study at New Zealand universities, the agricultural college in Western Samoa and Viti University.

19. The situation in the Tokelau Islands was even more difficult, which explained why the inhabitants had decided to maintain their links with New Zealand. The working paper showed that the administering Power intended to grant them greater autonomy by giving councils of elders and heads of families formal consultative status in the determination of priorities in certain activities in the public sector and the preparation of the annual budget. His delegation hoped that the closest co-operation would be maintained between the administering Power and the inhabitants of the Islands to ensure that they enjoyed the greatest possible degree of internal autonomy.

20. The representative of India noted the attempts being made by the administering Power to promote the development of the islands towards self-government and economic growth but thought that the pace of progress seemed rather slow.

21. The Niue Legislative Assembly considered that the time-limit set by the New Zealand Government for the establishment of a cabinet government in the Territory was too short and favoured a slower pace of development. However, the representative of the administering Power had himself told the Sub-Committee the previous year that the Assembly's cautious attitude was due to two factors: the people of Niue doubted their capacity to manage their own affairs and feared that political advance might prompt New Zealand to reduce or withdraw its subsidy. The

attitude of the Legislative Assembly seemed to be the result of inadequate training and information and the Indian delegation would therefore urge the administering Power to make intensive efforts to provide training for the people of Niue, particularly in education.

22. On the subject of the economic fears of the Niueans, she noted that the administering Power had assured them that whatever form their future took, financial aid from New Zealand would not be affected. Nevertheless Niue would also have to become more self-supporting. It was a matter of concern that in 1965 the value of exports had fallen by £12,742 while the value of imports had risen by £22,783, although it was true that the establishment of the Development Board and of a five-year plan would help to remedy the situation. It was also to be hoped that further measures to develop the economy of Niue would be undertaken in co-operation with the United Nations and the specialized agencies.

23. As for the Tokelau Islands, the fact that they had a population of only 1,861 should not prevent them from freely and democratically determining their future status.

24. The pace of political development was, of course, a matter for decision by the people themselves, as the representative of New Zealand had stated. However, it was also the responsibility of the administering Power to encourage and assist them in the development process in accordance with the Charter and General Assembly resolution 1514 (XV).

25. The representative of Poland said that although it was the fourth time that the Sub-Committee had on its agenda Niue and the Tokelau Islands, unfortunately the conclusions and recommendations that it would adopt in 1967 were not likely to differ much from those of previous years.

26. He did not overlook the geographical isolation of the islands or their lack of natural resources, and he took note of the attempts made by the administering Power to promote their economic growth and their development towards self-government. He found, however, on reading the working paper prepared by the Secretariat (see paras. 1-21 above), that the process of political emancipation of Territories which had remained under New Zealand administration for approximately half a century was very slow and that the administering Power had not yet even fixed a date on which the people would be able to exercise fully their right to

self-determination. He hoped that the establishment of a Development Board would lead to the development of the economy of Niue, and that the United Nations and the specialized agencies would give due consideration to the needs of the inhabitants of small Territories such as Niue and the Tokelau Islands. Since the Government of New Zealand had already expressed its readiness to terminate its colonial relationship with those Territories, it should now redouble its efforts to promote their political and social development and to assist the people to achieve self-government.

27. The representative of New Zealand, in reply, stated that he knew of no criteria by which the political progress of the islands could be called slow. In the opinion of his delegation, it had been far from slow in Niue, for example, where in the course of the last five years the population had assumed full control of the budget including the subvention from New Zealand, and was gradually taking over executive control of Government Departments. He observed that the inhabitants of Niue were far from lacking in political awareness or sophistication, as was shown by their pragmatic attitude towards their political future. Regarding the fixing of a date for self-determination - incidentally, no obligation of that kind was laid down in the Charter or General Assembly resolution 1514 (XV) - he stated that the inhabitants of Niue and the Tokelaus could exercise their right to self-determination when they wished and that the New Zealand Government did not intend at this stage to assume the function of setting a date for them.

28. On the subject of the economy, he recognized that the decrease in Niue's receipts from exports was discouraging, but noted that the newly established Development Board was studying ways of improving the situation. In that connexion he pointed out that over the past five years Niue had become to a degree less dependent on New Zealand, New Zealand's contribution to its budget having fallen - over a period when total expenditure was rising - from 64 per cent in 1962-63 to 53 per cent in 1966-67.

29. Turning to the conclusions and recommendations in the draft report of the Sub-Committee, he wished to contest both the assumption underlying the statement in paragraph 35 that political advancement corresponding to that made in Niue had not been achieved in the Tokelau Islands and the judgement in paragraph 36 that progress made in the Tokelaus had been slow. While it was true, for example, that

the Tokelau Islands had not, like Niue, moved toward the establishment of a cabinet system of government, the latter was not necessarily the most appropriate system for the atoll environment and tiny population of the Tokelaus. It had to be borne in mind that the 1,800 Tokelauans lived on three coral atolls with a total area of not more than four square miles, that the highest point above sea level was fifteen feet and that there was virtually no soil on the atolls. Despite the various attempts that had been made, it was difficult to grow anything but coconut and a few breadfruit trees there, the only other resource being fish. In this environment the existing political arrangements worked well. The Territory was run by the fonos, or councils made up of the heads of families. The people participated directly in this communal form of government. An elected indigenous official maintained liaison between the fonos and the New Zealand administration, which was not situated permanently in the Tokelaus but in nearby Western Samoa. In one of the few areas in which the Tokelauans did not run their affairs without direction or guidance from outside - the drawing up of the annual budget consisting largely of the New Zealand subvention - the fonos had recently been accorded formal consultative status. In short, although there was a minimum of formal institutions in the Tokelaus, a democratic form of self-government acceptable to the people existed. In these tiny communities a parliamentary mace and dispatch boxes would be as irrelevant as were a tractor and plough.

30. With regard to paragraph 36, it would remove the element of prejudgement in this formulation were the word "self-determination" substituted for "independence", which was one of several hypothetical end-results of self-determination. Furthermore, it was a miscalculation to imply that the people's wish to make haste slowly derived, as implied in this paragraph, from political unsophistication and ineptitude - given the circumstances of the islanders, the opposite conclusion could equally well be drawn. Paragraph 41 also seemed to imply that the indigenous people's level of training was inadequate. It should be noted, in that connexion, that Niue had free, compulsory education for children between the ages of 6 and 14 and that the educational status of the Niue High School was equivalent to that of a similar secondary school in New Zealand. There were also a number of students attending higher education and in-service training courses in New Zealand and elsewhere in the South Pacific.

31. He noted that the phrase "though important in themselves", which had appeared the previous year after the words "the peculiar problems of size, isolation and limited resources" in the corresponding paragraph of the Special Committee's report (A/6300/Add.9), did not appear in the draft conclusions now under discussion. He did not feel that this qualification was any less relevant and would like to know the reasons for the omission.

32. With regard to the Sub-Committee's recommendations, he noted that paragraph 40 reaffirmed a right which the administering Power had never denied and thus seemed to attribute to New Zealand an attitude which it did not hold. The same paragraph could also be read as implying that New Zealand was attempting to delay the application of resolution 1514 (XV), which would be quite untrue: New Zealand had always supported and attempted to apply faithfully the provisions of that resolution. As far as paragraph 41 was concerned, the administering Power was continuing to develop the educational system and the Niueans were gradually taking over the key positions.

33. Finally, with regard to paragraph 42, his delegation had already had occasion to describe in detail the measures which had been taken to develop the economic structure of Niue. As to the Tokelaus, the hard fact was that they had no economic future and were permanently dependent on outside financial assistance. The view of the Tokelauans themselves seemed to be that their future lay in emigration to the wider life offering in New Zealand.

34. He hoped that his comments on the draft report would be taken into account and recorded when the final text was drafted.

Conclusions and Recommendations of the Sub-Committee

Conclusions

35. The Sub-Committee notes the political changes that have occurred in Niue but observes that a corresponding advancement has not been made in the Tokelau Islands.

36. The Sub-Committee is of the opinion that the slow progress in the Tokelau Islands and the hesitancy of the people of Niue to quicken their rate of progress towards self-determination and independence is due, in part, to inadequate training and education of the indigenous inhabitants.

37. The Sub-Committee is of the opinion that the problems of size, isolation and limited resources, though important in themselves, should not in any way delay the implementation of General Assembly resolution 1514 (XV) in these Territories.

38. The assurance given by the administering Power of the continuance of economic aid to the Territories, whatever their future, is welcome; the Sub-Committee hopes that the efforts made to improve the economic structure by the administering Power and the United Nations specialized agencies will lessen this economic dependence, thus widening the choice of self-determination by the people.

39. The Sub-Committee notes with satisfaction the continued willingness of the administering Power to receive a visiting mission to the Territories were such a visit to form part of a wider tour of the area.

Recommendations

40. The Sub-Committee reaffirms the inalienable right of the people of the Territories of Niue and the Tokelau Islands to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV). It is of the view that the questions of size, isolation and limited resources should not in any way delay the application of that resolution to these Territories.

41. The administering Power should further increase the training of the indigenous people so that they could occupy all key positions in the life of the Territories and build the confidence so necessary for their future development.

42. Further and immediate measures should be taken by the administering Power to develop the economic structure of these Territories; the United Nations and the specialized agencies should be asked to continue their co-operation.

43. A visit to the Territories by the Sub-Committee is necessary and would be useful in gathering all information and also in familiarizing the people with the assistance which can be rendered by the United Nations in regard to the free expression of their wishes pursuant to the Declaration contained in General Assembly resolution 1514 (XV). In this respect, steps may be taken to arrange a visit in consultation with the administering Power.

CHAPTER XVII*

NEW HEBRIDES

I. ACTION PREVIOUSLY TAKEN BY THE SPECIAL COMMITTEE AND BY THE GENERAL ASSEMBLY

1. In 1964 the Special Committee adopted conclusions and recommendations concerning the New Hebrides.^{1/} After considering the New Hebrides in August and September 1966, the Special Committee recommended, inter alia, that the administering Powers should take urgent measures for the implementation of resolution 1514 (XV) of 14 December 1960 and that the people of the Territory should be provided with an early opportunity to express their wishes in accordance with that resolution through well-established democratic processes based on the principle of universal adult suffrage. It also recommended that the administering Powers should expedite the finalization of reforms in the administration of the Territory. It felt that the social and economic advancement of the Territory should be accelerated. It also felt that a visiting mission was necessary and would be useful in assessing the political climate and aspirations of the people and that steps might be taken to arrange such a visit in consultation with the administering Powers.^{2/}
2. At its twentieth session, the General Assembly adopted resolution 2069 (XX) of 16 December 1965 concerning twenty-six Territories, including the New Hebrides. At its twenty-first session, it adopted resolution 2232 (XXI) of 20 December 1966, concerning twenty-five Territories, including the New Hebrides. The resolution

* Parts I and II of this chapter were previously reproduced under the symbol A/AC.109/L.359.

1/ Official Records of the General Assembly, Nineteenth Session, Annex No. 8 (A/5800/Rev.1), chapter XX, paras. 89-96.

2/ A/6300/Add.9, chapter XVII, paras. 23 and 24.

called upon the administering Powers to implement without delay the relevant resolutions of the General Assembly. It reiterated the Assembly's declaration that any attempt aimed at the partial or total disruption of the national unity and territorial integrity of colonial Territories and the establishment of military bases and installations in these Territories was incompatible with the purpose and principles of the Charter of the United Nations and of General Assembly resolution 1514 (XV). It urged the administering Powers to allow visiting missions to visit the Territories and to extend to them full co-operation and assistance. It decided that the United Nations should render all help to the peoples of the Territories in their efforts freely to decide their future status. Finally, it requested the Special Committee to continue to pay special attention to the Territories and to report on the implementation of the present resolution to the General Assembly at its twenty-second session.

II. INFORMATION ON THE TERRITORY^{3/}

General

3. The New Hebrides form an irregular chain of islands some 440 miles (704 kilometres) long in the south-western Pacific Ocean. They have a total land area of 5,700 square miles (14,763 square kilometres). In 1962, the population of the Territory was estimated to total 61,500 persons of whom 55,000 were Melanesians. The remaining 6,000 were British or French subjects and ressortissants (nationals of other countries who elect to come under the jurisdiction of either the United Kingdom of Great Britain and Northern Ireland or France).

^{3/} The information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information transmitted to the Secretary-General by the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter on 22 July 1966 for the year ending 31 December 1965. The most recent information on the New Hebrides transmitted by France was received on 19 May 1966 for the year 1964.

Status

4. The New Hebrides form a Condominium jointly administered by France and the United Kingdom which was established on 20 October 1906. By the Anglo-French Convention of 16 November 1887, these Powers appointed a Joint Naval Commission charged with the protection of the lives and properties of their subjects. In 1902, Deputy Resident Commissioners were appointed. By the Convention of 20 October 1906, the two Governments established the Anglo-French Condominium of the New Hebrides. This Convention was superseded by the Anglo-French Protocol of 1914.

5. Subjects and citizens of the Signatory Powers enjoy equal rights. Each Power "retains sovereignty over its nationals and over corporations legally constituted according to its laws", and neither Power may exercise a separate authority over the Condominium. Nationals of third Powers residing in the group opt for either the British or French legal system and to come, for all practical purposes, under the administrative protection and authority of the Power for whose legal system they opt. The 1914 Protocol does not define the national status of the indigenous inhabitants of the Condominium. It states that they cannot be dependants of either Power nor can they "acquire in the group the status of subject or citizen" of either Power.

Constitution

6. The Constitution of the Condominium is laid down in the Anglo-French Protocol of 6 August 1914, which was ratified in 1922 and proclaimed in the New Hebrides on 5 July 1923, and which has, with some modification, regulated the administration of the Condominium since that time.

7. Joint Administration. The Government of the Condominium is known as the Joint Administration, of which the joint and equal heads are formally the British and French High Commissioners, acting through their local representatives, the British and French Resident Commissioners, to whom they delegate their powers and to whom they give directions. (The British High Commissioner resides at Honiara in the British Solomon Islands Protectorate and as High Commissioner for the Western Pacific his jurisdiction extends to other United Kingdom Territories in the area; the French High Commissioner resides at Nouméa in New Caledonia and is also

the Governor of New Caledonia.) The Joint Administration consists of the British National Administration, the French National Administration and certain joint or "Condominium" services. In addition to participating in the Joint Administration, each national administration under its Resident Commissioner deals independently with national affairs in so far as these are not of joint concern.

8. The national administration civil services consist of administrative, clerical, accounting and technical officers, including medical and education officers, since health and education, although subsidized from the joint (Condominium) budget, are primarily national subjects. Each civil service has its own set of estimates, the revenue of which is to a greater or lesser extent derived from the metropolitan Government.

9. The Joint Services, created under article 4 of the Protocol, include normal government departments such as the Treasury (including customs and inland revenue), public works and transport, posts and telephones, radio, lands, survey, agriculture, meteorology and mines. They are financed from local taxation, the joint budget being prepared by the Resident Commissioners and assented to by the High Commissioners and the metropolitan Governments.

10. Advisory Council. The Territory has no legislative council. Since 1951 it has had an Advisory Council presided over by the Resident Commissioners. It consists of six official members and twenty unofficial members. Since 1964, eight of the latter have been elected: four are New Hebridean, two are British and two are French. The other unofficial members are nominated: six are New Hebridean, three are British and three are French. The Standing Committee of the Council consists of two British, two French and four New Hebridean members.

Local government

11. There are eighteen local councils throughout the islands which deal with most matters of local importance such as village amenities. Vila, the administrative capital, has a Town Planning Commission.

Electoral system

12. The Territory does not have universal adult suffrage. In rural communities the indigenous inhabitants elect the members of local councils. Electoral colleges composed of representatives of the various local councils in each district elect

four of the Melanesians members of the Advisory Council of the Territory, and four of the European members are elected through the Chamber of Commerce. The other members are nominated by the Resident Commissioners jointly.

Judiciary

13. The New Hebrides has three types of courts: Condominium courts, British national courts and French national courts. The Condominium courts comprise the Joint Court, the courts of first instance and the Native courts. The Joint Court is the chief court. It hears appeals from the courts of first instance and from the Native courts which are established in each district of the New Hebrides. It is responsible for land registration, for law cases involving both French and British, Europeans and indigenous persons, and for cases between indigenous persons.
14. One of the two agents (administrative officers) of the district concerned sits in the Native courts with two local assessors. The agents are obliged to consult the local assessors. The Native courts have jurisdiction throughout their district over offences against New Hebridean regulations and customs. British or French national courts administer their own national laws where British or French subjects are concerned, except in cases reserved for the Joint Court.

Recent constitutional developments

15. At its meetings in 1966 the Special Committee was informed that ministerial talks had taken place in London in July 1966, at which time the British Colonial Secretary and the Minister of State for French Overseas Departments and Overseas Territories had met and exchanged views on administrative matters concerning the Condominium.

Economic conditions

16. Most of the New Hebrides is mountainous and heavily forested and large areas of the interior are uninhabited. Its economy is based mainly on subsistence gardening and the production of copra. Other cash crops include cocoa and coffee. The economy has recently become more diversified with the production of manganese ore for export (since 1962) and the growth of the frozen fish industry (since 1957). The only other industries are a few small factories and indigenous arts and crafts.

17. Copra, manganese and fish made up approximately 95 per cent of all exports in 1965, the value of which totalled £3,276,239.^{4/} Import figures for 1965 are not available. Most exports went to France and Japan.

18. The budget of the Joint Administration finances the services that are operated jointly and contributes to the cost of medical and educational services operated separately by the British and French national administrations which have separate budgets.

19. Taxation is levied by the Joint Administration to provide revenue from which the Joint Public Services of the New Hebrides are financed and subventions for some national services are paid. Approximately 62 per cent of the total local revenue consisted of import and export duties; there is no income tax for indigenous persons. The main heads of expenditure are public works, medical and education services and the post office.

20. Revenue and expenditure of the Joint Government in 1965 totalled £984,309 and £940,193 respectively. Estimated revenue and expenditure of the British National Administration in 1965/66 totalled £A 133,096 each. Most of this was contributed by the United Kingdom Government. No information is available on the revenue and expenditure by the French National Administration in 1965. In 1964, revenue and expenditure of the French National Administration amounted to 110,452,000 frs CFP^{5/} and 103,146,000 Frs CFP respectively. It is estimated that approximately 68 per cent of the revenue of the French National Administration was contributed by the French Government.

21. The Protocol provides that the currency and banknotes of either Power shall be legal tender, and in 1935, Australian currency was recognized valid for payments in sterling. The currencies in use are the Australian dollar and the New Hebrides franc. The latter is convertible into Australian currency. Its issue is regulated by the French authorities, who also fix the rate of exchange with the metropolitan franc.

Social conditions

22. Labour. Most of the indigenous population is mainly engaged in producing subsistence and cash crops. Most employed labour works on copra plantations, on

^{4/} One pound sterling equals 250 French francs or £A 1.25.

^{5/} One Franc CFP is a New Hebrides franc.

trading ships, in stores or government service. There is generally a shortage of skilled and semi-skilled labour. No information is available on the total number of persons working for wages. Wages vary according to the type of labour and whether or not rations are included. The work week averages forty-four hours. There are no trade unions, although provisions exist for them.

23. Public health. In addition to the medical facilities provided separately by the British and French national administrations, British and French medical officers run a condominium medical service providing preventive measures against malaria and epidemics, quarantine control, medical inspection of plantations and other labour, and free medical attention to the indigenous population.

24. In 1965/66, expenditure on public health by the Joint Administration totalled £174,324, approximately 8.3 per cent of its total expenditure. Excluding grants, expenditure for the same period by the British National Administration was estimated to be £A 135,808, approximately 16 per cent of its total expenditure. A grant of £73,100 from British Colonial Development and Welfare funds was approved in August 1965 for the reconstruction of the hospital at Tanua. No information is available on expenditure by the French National Administration on public health for 1965. In 1964, such expenditure by the French National Administration was 21,874,000 New Hebridean francs.

Educational conditions

25. The great majority of all pupils attend mission schools. In addition to these, the French National Administration operates seventeen primary schools. In 1964, the British National Administration established a teacher-training college and in 1965 a grant of £104,000 was appropriated from British Colonial Development and Welfare funds for a new secondary school at Vila. The Condominium Government itself has no education service but gives an annual subsidy to the national administrations, which in turn give assistance to the mission schools. In 1965, this subsidy amounted to £48,000.

26. It is estimated that 65 to 70 per cent of the children of school-age receive primary education. Secondary education in the Territory is in its developmental stage and children are sent to secondary schools in neighbouring territories.

In 1965, a grant of £126,000 was approved by the British National Administration for the construction of a post-primary school to accommodate 150 students. No information is available on expenditure by the French National Administration on education during 1965. Such expenditure was 63,895,000 Frs CFP in 1964.

III. CONSIDERATION BY THE SPECIAL COMMITTEE

27. At its 562nd meeting, on 22 September 1967, the Special Committee considered the report of Sub-Committee II on the New Hebrides which appears as an annex to this chapter.

28. The Special Committee had before it the following written petitions concerning the New Hebrides:

<u>Petitioner</u>	<u>Document No.</u>
Chief Buluk and) Mr. Jimmy Tubo Stephens)	A/AC.109/PET.630
Chief Paul Buluk	A/AC.109/PET.630/Add.1

29. The representative of the United Kingdom said he wished to record the fact that, in his delegation's view, the Sub-Committee's conclusions and recommendations on the Territories administered by the United Kingdom did not adequately reflect the substantial progress that had been made over the past twelve months in those Territories and were regrettably begrudging and negative in tone. Accordingly, he would reserve its position on the Sub-Committee's conclusions and recommendations on the New Hebrides.

30. The representatives of Australia and the United States of America also expressed reservations with regard to the Sub-Committee's conclusions and recommendations on the New Hebrides.

IV. ACTION TAKEN BY THE SPECIAL COMMITTEE ON THE REPORT OF SUB-COMMITTEE II

31. At its 562nd meeting on 22 September 1967, the Special Committee adopted the conclusions and recommendations of Sub-Committee II concerning the New Hebrides, it being understood that the reservations expressed by some members would be reflected in the record. These conclusions and recommendations are as follows:

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Conclusions

- (1) The Special Committee notes that there have been no constitutional changes or proposals concerning any changes by the administering Powers in the New Hebrides since it was considered by the Special Committee in 1966.
- (2) The Special Committee, aware of the peculiar problems of the Territory by virtue of its being a Condominium, recalls its conclusions in 1966 that very little progress had been made towards the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, as contained in General Assembly resolution 1514 (XV); and that the political institutions and executive machinery were not representative of the people of the Territory.

Recommendations

- (3) The Special Committee reiterates to the administering Powers the recommendations it made concerning this Territory in 1966 and strongly urges them to implement these recommendations, which are as follows:
 - (a) The Special Committee reaffirms the inalienable right of the people of the Territory to self-determination and independence in accordance with General Assembly resolution 1514 (XV).
 - (b) The people of the Territory should be provided an early opportunity to express their wishes with regard to the provisions of resolution 1514 (XV) through well-established democratic processes based on the principle of universal adult suffrage.
 - (c) Urgent measures should be taken for the implementation of resolution 1514 (XV).
 - (d) The economic and social advancement of the Territory should be accelerated.
 - (e) The administering Powers should expedite the finalization of reforms in the administration of the Condominium.
 - (f) A visit by the Sub-Committee is necessary and would be useful in assessing the political climate and aspirations of the people. Steps may be taken to arrange such a visit in consultation with the administering Powers.

ANNEX*

REPORT OF SUB-COMMITTEE II ON NEW HEBRIDES

Consideration by the Sub-Committee

1. The Sub-Committee considered the New Hebrides at its 57th to 60th and 62nd meetings held between 14 March and 21 April 1967.
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see paras. 1-26 of the present report).
3. In accordance with the procedure agreed upon by the Special Committee, the Chairman invited the representative of the United Kingdom of Great Britain and Northern Ireland to participate in the consideration of the Territory.
4. The representative of the United Kingdom said that in 1966 his delegation had provided the Sub-Committee with very detailed information on the situation in the Territory. Further information had been furnished at the 1669th meeting of the Fourth Committee in December 1966.
5. The representative of Chile said that the lack of information concerning the New Hebrides was a matter for concern, particularly as one of the administering Powers, namely France, had failed to supply the Sub-Committee with up-to-date information. It was to be hoped that that administering Power would adopt a more positive attitude in the future.
6. The representative of Poland said that in the New Hebrides no sign of political progress could be observed. Those islands, where there were no trade unions or political parties and where universal adult suffrage did not exist, were a typical example of a colony. It was unfortunate that the United Kingdom representative had not been able to furnish the Sub-Committee with information on the results of the

* Previously issued under the symbol A/AC.109/L.395/Add.2.

consultations that had taken place between the French Government and his own on the New Hebrides. As to the information contained in the working paper, it was very disheartening.

7. The representative of India said that it was most regrettable that no constitutional progress had been made in the New Hebrides. The functions of the Advisory Council had not changed since 1951 and most of its members were still nominated. In 1965, however, the Council had asked the two administering Powers for a clear policy statement on the future of the Territory. They had apparently not yet replied. At the 1669th meeting of the Fourth Committee, the United Kingdom representative had said that the two administering Powers had examined, at the ministerial level, certain aspects of the administration of the Territory which impeded its progress. Her own delegation would like to have details of the action taken by the administering Powers to implement the Sub-Committee's recommendations concerning the reform of the Territory's administration.

8. In view of the relatively slow pace of political and economic progress in the New Hebrides, her delegation urged the administering Powers to implement General Assembly resolutions 2232 (XXI) of 20 December 1966 and 1514 (XV) of 14 December 1960 in the Territory.

9. The representative of the United States of America wished first to point out, in connexion with the New Hebrides, that exports, which in 1965 reached £3.3 million, were a particularly important factor in the economy of the islands. Whereas, until the end of the Second World War, copra was virtually the only product exported by the Territory, there had since been a tendency towards diversification of the economy. It would be interesting to know to what extent that diversification had enabled the two administering Powers to reduce their grants-in-aid. With regard to education, the data in the Secretariat's working paper suggested that secondary education was still in the developing stage, only primary education being available to most of the children in the Territory. The Secretariat's report showed, however, that in 1965 a grant of £104,000 had been made for the construction of a new secondary school at Vila and that, in the same year, a grant of £126,000 had been

made for the construction of a post-primary school. Considering that the Territory had only 61,000 inhabitants, those figures, which concerned only one of the two administering Powers, appeared to augur well for the future. In that connexion, it would be interesting to know whether any part of the United Kingdom grants was used for the vocational training which had become necessary as a result of the diversification of agriculture and the economy in general.

10. The representative of Iraq said that more information should be obtained on the talks held in London in 1966 between the United Kingdom and France on the New Hebrides. In that connexion, the unhelpful attitude of France - which since 1964 had not provided any information on the archipelago - could only be regretted.

11. The representative of the United Kingdom said that the situation in the New Hebrides was rendered complex by the Territory's dual administration. Services administered jointly by the two administering Powers were financed from local taxation, deriving mainly from import and export duties. National services which were separately administered, including public health and education, were subsidized by the metropolitan Powers, but the subsidies represented development and not budgetary aid, so that economic development would not necessarily tend to a decrease in this form of assistance.

12. He had no recent information on vocational education, but could state, on the basis of the latest annual report on the Territory, that the Administration had received expert advice on the subject and that certain types of practical and technical education had already been introduced in the schools.

13. Progress in the New Hebrides was the subject of ministerial talks, of which, he wished to explain, there were several series proceeding at different times and levels and which were gradually bearing fruit. Two specific results had already been obtained: the two administrations had decided to change the labour laws of the New Hebrides and to adopt a more effective system of registering births and deaths in the Territory. The question of land tenure was also being studied and the adoption of a land tenure code was contemplated.

14. The representative of Afghanistan said that the lack of constitutional progress in the Territory was most regrettable, and urged the administering Powers to implement without delay the provisions of General Assembly resolutions 1514 (XV) and 2232 (XXI).

15. The representative of Sierra Leone said that it was regrettable that France had supplied no information on the New Hebrides since 1964; it was difficult for the Sub-Committee to study the present situation in the Territory on the basis of information which was three years old. The United Kingdom's co-operation, on the other hand, was satisfactory. The situation of the Condominium was a little confusing, because of the tripartite system of administration in which joint services existed side by side with separate services (education, public health, social affairs and justice). The administering Powers should simplify the system so that all the islanders could work together for their own development and self-determination. Ten of the twenty members of the Advisory Council represented only 9 per cent of the population, and the representation of the remaining 91 per cent should be increased. In their development towards self-government and independence, the islanders should not be made to suffer from any differences of opinion between the two administering Powers; the discussions taking place between the latter on the future of the Territory were proceeding slowly, and the people were not being consulted sufficiently for them to be considered as participating as fully as they should in determining that future.

Conclusions of the Sub-Committee

16. The Sub-Committee notes that there have been no constitutional changes or proposals concerning any changes by the administering Powers in the New Hebrides since it was considered by the Sub-Committee in 1966.

17. The Sub-Committee, aware of the peculiar problems of the Territory by virtue of its being a Condominium, recalls its conclusions in 1966 that very little progress had been made towards the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, as contained in General Assembly resolution 1514 (XV); and that the political institutions and executive machinery were not representative of the people of the Territory.

Recommendations of the Sub-Committee

18. The Sub-Committee recommends to the Special Committee that it reiterate to the administering Powers the recommendations it made concerning this Territory in 1966 and strongly urge them to implement these recommendations, which are as follows:

(a) The Sub-Committee reaffirms the inalienable right of the people of the Territory to self-determination and independence in accordance with General Assembly resolution 1514 (XV).

(b) The people of the Territory should be provided an early opportunity to express their wishes with regard to the provisions of resolution 1514 (XV) through well-established democratic processes based on the principle of universal adult suffrage.

(c) Urgent measures should be taken for the implementation of resolution 1514 (XV).

(d) The economic and social advancement of the Territory should be accelerated.

(e) The administering Powers should expedite the finalization of reforms in the administration of the Condominium.

(f) A visit by the Sub-Committee is necessary and would be useful in assessing the political climate and aspirations of the people. Steps may be taken to arrange such a visit in consultation with the administering Powers.

CHAPTER XVIII*

GUAM AND AMERICAN SAMOA

I. ACTION PREVIOUSLY TAKEN BY THE SPECIAL COMMITTEE
AND BY THE GENERAL ASSEMBLY

1. In 1964, the Special Committee adopted conclusions and recommendations concerning Guam and American Samoa.^{1/} After considering the Territories in 1966, it recommended, inter alia, that the further political development of the Territories should be accelerated by expanding the functions and powers of their legislatures and by vesting executive authority in the hands of the indigenous population. It urged that their economic growth be expedited further by fully developing their agricultural and industrial potential and, particularly in the case of Guam, by implementing as speedily as possible plans for the diversification of its economy. It requested that the educational and training facilities for the peoples of the Territories be increased. Finally it considered that a visit to the Territories by the Special Committee was necessary and would be useful; it would familiarize the Committee with the needs and aspirations of the peoples, and would also increase the awareness of the peoples of their rights which have been guaranteed to them by the United Nations.^{2/}

2. At its twentieth and twenty-first sessions respectively the General Assembly adopted resolutions 2069 (XX) of 16 December 1965 and 2232 (XXI) of 20 December 1966 concerning several Territories including Guam and American Samoa. Resolution 2232 (XXI) called upon the administering Powers to implement without delay the relevant resolutions of the General Assembly. It reiterated the Assembly's declaration that any attempt aimed at the partial or total disruption of the national unity and territorial integrity of colonial Territories and the establishment of military bases and installations in these Territories was incompatible with the purposes and principles of the Charter of the United Nations and of General Assembly resolution 1514 (XV). It urged the administering Powers to allow visiting missions to visit the Territories and to extend them full co-operation and assistance. It decided that the United Nations should render help to the peoples of these Territories in their efforts freely to decide their future

* Parts I and II of this chapter were previously issued under the symbol A/AC.109/L.364 and Add.1.

^{1/} Official Records of the General Assembly, Nineteenth Session, annex No. 8 (A/5800/Rev.1), chapter XVI, paras. 64-71, and chapter XVII, paras. 95-102.

^{2/} A/6300/Add.9, chapter XVIII, para. 66.

status. Finally, it requested the Special Committee to pay special attention to the Territories and to report on the implementation of the present resolution to the General Assembly at its twenty-second session.

II. INFORMATION ON THE TERRITORIES

A. GUAM^{3/}

General

3. Guam, the southernmost of the Mariana Islands, lies in the western Pacific about 1,500 miles (2,400 kilometres) south-east of Manila, in the Philippines. It is a volcanic island thirty miles (forty-eight kilometres) long and ranges from four miles at its narrowest point to eight and a half miles at its broadest, with a land area of 209 square miles (541 square kilometres). The capital of Guam is Agana. The population, excluding military personnel, was 45,192 in April 1964, compared with an estimated 41,247 in 1961. The population in 1964 comprised:

Guamanians	38,369
"Statesiders" (persons from the United States)	1,573
Filipinos	2,839
Hawaiians	612
Others	1,799
Total	45,192

Status

4. Guam was ceded to the United States of America by the Treaty of Paris in 1898, following the Spanish-American War. It is an organized but unincorporated Territory of the United States. Guamanians are citizens of the United States, but those who reside in Guam do not have the right to vote in United States elections and have no representation in the United States Congress.

^{3/} The information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information transmitted to the Secretary-General by the United States of America under Article 73 e of the Charter on 8 June 1966 for the year ended 30 June 1965.

Constitution

5. The Territory is administered under the Organic Act of Guam, 1950, as amended. Guam's relationship with the United States Government comes under the general supervision of the Department of the Interior.

6. Governor. The Governor is the chief executive and administrator of the affairs of the Government of Guam. He is appointed by the President of the United States, with the advice and consent of the United States Senate, to hold office for four years and until his successor is appointed and qualified. He is assisted by the Secretary of Guam who is also appointed by the President for a four-year term. The Secretary's position is similar to the position of the Secretary of State or Lieutenant Governor of a state of the United States. In the absence of the Governor from the island, the Secretary is empowered to assume the duties of the Governor. Under the Governor are ten departments, the directors of which are appointed by him with the advice and consent of the Guam Legislature.

7. Legislature. The unicameral Legislature of Guam, which is composed of twenty-one elected members, is empowered to pass laws on local matters, including taxation and appropriations for the fiscal operation of the Government. All laws enacted by the Legislature are reported to the Congress of the United States. If any such law is not annulled by the Congress within one year of the date of its receipt by that body, it is deemed to have been approved. Every bill passed by the Legislature becomes law unless the Governor returns it with his objections to the Legislature. If, after reconsideration, two thirds of the Legislature agree to pass the bill and the Governor still refuses to approve it, the latter must transmit the bill to the President of the United States. If the President fails to approve the bill, it does not become law.

8. Electoral system. There is universal suffrage for all citizens of Guam eighteen years of age or older. General elections are held every two years.

Political parties

9. Guam has two political parties: the Democratic Party, affiliated with the Democratic Party of the United States, and the Territorial Party, which is independent.

Recent developments

10. In 1966, the United States House of Representatives approved a bill providing for the election of the Governor and the Lieutenant Governor of Guam on 8 November 1966. Beginning with the year 1968 they would be elected every four years. In October the United States Senate returned the bill to the House for action with amendments which, inter alia, would provide for the election of the Governor and the Lieutenant Governor for four-year terms with the first election to be held on 3 November 1970. No action was taken concerning the proposal, which is to be resubmitted by the Executive Branch of the Government to Congress at its forthcoming session in 1967.

11. The most recent elections for members of the Guam Legislature were held in November 1966.

Economic conditions

12. Guam is relatively poor in natural resources. It is an important military base of the United States in the Pacific and its economy is supported primarily by the wages of Guamanians employed by the military. Agriculture is the other principal element in the economy, but its development is handicapped by the ready employment offered by the military installations and the civil government at relatively good wages.

13. The principal imports to Guam, chiefly from the United States, include food, vehicles, petroleum products, construction supplies and alcoholic beverages. The principal export is scrap metal. Imports were valued at \$41,414,026 and exports and re-exports were valued at \$9,323,056. Guam serves as a trans-shipping centre between the United States, the Trust Territory of the Pacific Islands and other countries.

14. The total reserve for the fiscal year of 1965 totalled \$25,792,223, compared with \$22,821,794 in 1964. Expenditures totalled \$26,914,784, compared with \$22,215,542 the previous year.

15. Following typhoons in 1962 and 1963, Guam was declared a disaster area and approximately \$16 million was allocated by the Office of Emergency Planning for disaster projects. By 30 June 1965, seventy-seven projects had been completed and twenty were still in progress.

16. Under the Rehabilitation Act, the United States Congress made \$19 million available early in the fiscal year 1965, and an additional \$9,657,000 was approved to become available 1 July 1965. Construction on schools, utilities and other projects began with the release of funds. All major projects, with one exception, were to be completed in 1965 and 1966.

Social conditions

17. Labour. Guam continues to experience a shortage of competent labour, and off-island labour is recruited to meet the need for skilled workers. No information is available concerning the number of persons employed at military installations. The number of employees in the executive branch of the Government in 1965 totalled 4,582, compared with 3,888 in 1964. The number entering the service in 1965 totalled 1,207, compared with 417 in 1964.

18. Public health and hospital services. In 1964, the Department of Health and Welfare was created as a separate department from hospital services. It is now primarily concerned with preventive measures, the maintenance of safe and sanitary public and private health facilities, and the provision of social services and financial assistance. Under the new agreement a Board of Trustees was made the governing and policy-making body for the Guam Memorial Hospital. In 1965 the hospital was granted a full three-year accreditation ranking it with accredited hospitals in the United States. Renovation of the hospital was completed in 1965 at a total cost of \$1,430,000 and it is now operating with a complement of 260 beds.

Educational conditions

19. The total budget of the Department of Education for the fiscal year 1965 was \$4,764,791. School attendance is compulsory between the ages of six and sixteen, inclusive. Public and private elementary secondary schools had a total enrolment of about 23,000 in 1965. Expenditure on the College of Guam, which is not included in the Department of Education, totalled \$616,538 in 1965. During the year the college was awarded a three-year accreditation by the United States Western Association of Schools and Colleges. During the school year a total of 2,037 part-time and full-time students were enrolled at the college.

B. AMERICAN SAMOA^{4/}

General

20. American Samoa consists of the seven eastern islands of the Samoan Archipelago and is located about 1,600 miles north-east of New Zealand and seventy-seven miles east of Western Samoa. It has a total land area of 76.2 square miles. The headquarters of the Administration are located at Pago Pago on Tutila, the main island of the Territory.

21. The inhabitants of the Territory are Polynesians. They have increased from 5,697 in 1900 to 20,051 according to the 1960 census. In July 1965, the population was estimated at 26,000.

Status

22. American Samoa is a Territory of the United States administered by the Department of the Interior by Executive Order signed by the President of the United States, effective 1 July 1951. The people of the Territory are nationals of the United States.

Constitution

23. The present Constitution of American Samoa was approved and promulgated on 27 April 1960, and came into effect on 17 October 1960.

24. Governor. The executive branch consists of the Governor, the Secretary and departmental and office heads. The Governor, who is the Chief Executive, is appointed by the Secretary of the Interior and exercises his authority under the latter's direction. The Secretary of American Samoa, also appointed by the Secretary of the Interior, assists the Governor in administering the Territory, serves as Lieutenant Governor, and represents the Governor during the latter's absence from the Territory. Heads of departments and officers of the executive branch are appointed by the Governor and are responsible to him.

^{4/} The information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information transmitted to the Secretary-General by the United States of America under Article 73 e of the Charter on 29 March 1967 for the year ending 30 June 1965.

25. Legislature. The Legislature of American Samoa consists of a Senate and a House of Representatives. Each of the fourteen political counties of the Territory elects, by Samoan custom, a matai (chief or talking chief) to the Senate to serve for four years. One additional senator, who serves for two years, is elected in rotation from four counties in the Western District.
26. The Constitution provides that the membership of the House of Representatives shall be elected by secret ballot on the basis of population, that the total number of representatives shall not exceed twenty-four, and that each county shall have at least one representative regardless of population. At present the House of Representatives has seventeen members elected by popular vote at the polls. There is one delegate from Swains Island which the adult permanent residents elect at an open meeting. He has all the privileges of a member of the House except the right to vote. Members hold office for two years. During the Eighth Legislature, all the members of both the Senate and the House of Representatives, with one exception, were matais. Swains Island failed to elect a delegate to the Eighth Legislature.
27. The Legislature has the authority to pass legislation with respect to subjects of local application except that: (a) no such legislation may be inconsistent with the Constitution of the Territory or the laws of the United States applicable in American Samoa, or be in conflict with treaties or international agreements of the United States; (b) the annual budget shall be as presented to the Congress of the United States subject to such allocations among departments and activities as may be made by the Governor as a result of increases or decreases in the amount of grant funds approved by the Congress, and the Governor shall inform the Legislature of the Territory of his actions in this regard at its next regular session; (c) legislation involving the expenditure of funds other than as budgeted must include revenue measures to provide the needed funds.
28. All laws are enacted by bills which may originate in either House, and may be amended or altered or rejected by the other. The Governor may submit proposed legislation to the Legislature for consideration by it.
29. Every bill that has passed both Houses is presented to the Governor for his approval. On the Governor's signature it becomes a law. If the Governor does not approve the bill, he returns it with his objections to the House in which it originated. If he fails to return the bill within twenty days, it becomes a law,

whether signed by him or not, unless the Legislature by adjournment prevents such a return. If, however, the Governor signs the bill, within forty-five days after adjournment of the Legislature, it becomes a law in the same manner as if it had been signed by him before adjournment.

30. A bill that has been vetoed by the Governor may be passed over his veto, provided that the action is taken by a different session of the Legislature from that in which the bill originated, and that it is passed by a two-thirds majority of the entire membership of each House within fourteen months of the date of the Governor's veto. Under the Constitution, a bill so passed must again be presented to the Governor for his approval. If he does not approve it within twenty days, he sends it, together with his comments, to the Secretary of the Interior. If the latter approves it within ninety days after receipt by him, it becomes a law; otherwise it shall not.

31. In the event that the Governor has submitted to the Legislature proposed legislation which he has designated as urgent, and the Legislature has failed to pass it in its original form or in an amended form acceptable to the Governor at the session in which it was submitted, the Governor may himself, with the approval of the Secretary of the Interior, promulgate such proposed legislation as a law.

Electoral system

32. All residents of five years' standing over the age of 20 years who have resided for one year within the county in which they intend to vote, are eligible to vote in elections in American Samoa. All persons who are qualified to vote and who are at least 25 years of age and are either United States nationals or citizens, are eligible to run for and to hold office in the House of Representatives. General elections are held every two years.

Public Service

33. At 30 June 1965, the Public Service consisted of 182 "Stateside" employees (overseas officers) and 2,696 local officers.

Judiciary

34. Judicial power is vested in the High Court and five district courts. The High Court consists of an Appellate, a Probate and a Trial Division. It has six

judges: the Chief Justice, the Associate Justice and four Samoan Associate Judges. The court system is under the general administration of the Chief Justice of American Samoa, who is appointed by the Secretary of the Interior. The fundamental human rights of the inhabitants of the Territory are protected both by the Constitution of the United States and by the Bill of Rights in the Constitution of the Territory, the latter being patterned substantially after the Bill of Rights in the United States Constitution.

35. All personnel of the judicial branch are American Samoans with the exception of the Chief Justice, the Associate Justice, and the Clerk of the High Court, the latter three being stateside United States citizens in the Federal Civil Service.

Local government

36. The Secretary for Samoan Affairs, the head of the Department of Local Government, is a Samoan appointed by the Governor. He is responsible for the proper administration of district, county and village affairs as provided by law, and for the supervision of all ceremonial functions.

37. Each of the District Governors serving at present as administrative head of the three political districts within the Territory is a Samoan. He is nominated by the district council chiefs and appointed by the Governor for a four-year term.

38. Each of the fourteen counties has a county chief nominated by the chiefs in his county council and appointed by the Governor for a four-year term. Within each county the village councils, consisting of the village chiefs, nominate one of their members as mayor who is appointed by the Governor for a one-year term. All local officials are responsible to their respective district, county and village councils.

39. A Local Government Council composed of the three District Governors and the fourteen county chiefs is reported to be gradually assuming the role of a policy-making body within the local government organization. It appoints its own officers who form an Executive Committee. The Council maintains constant liaison with the Governor and the Secretary and acts as the co-ordinating body for all matters pertaining to local government.

Constitutional developments

40. The present Constitution, which came into effect on 17 October 1960, provided for its automatic revision or amendment at the end of five years. The representative of the United States informed the General Assembly at its twenty-first session that a Samoan Constitutional Review Committee had completed its work and that many of its proposals had been directed towards expanding the powers of the Samoan Legislature. The Committee had proposed, inter alia, that the Legislature should be given the right to review that portion of the proposed budget to be financed from Washington, before recommendations were sent to the Federal Government. It had also proposed that, where no financing from the United States Government was involved, except for funds normally available to all States and Territories under United States legislation, the Governor would present the Samoan budget to the Legislature, which would have full authority to make the appropriations. The Committee had also made proposals to change the qualifications of members of the Legislature in order to render it more fully representative, and to expand the maximum length of its sessions. Other recommendations concerned further limitations on the prerogatives of the Governor with regard to legislative proposals. Those and other proposals had been considered at a Constitutional Convention convened in the Territory in October 1966. In conclusion, the representative of the United States stated that the Samoan electorate had already approved the recommendations of the Constitutional Review Committee, and that the proposed new Constitution would be transmitted to the Federal Government in Washington for review in the near future.

Economic conditions

41. The administering Power reports that in 1965 it continued to seek economic advancement for the people of the Territory in two principal areas: by assisting the American Samoan Development Corporation and by the encouragement, through the Bank of American Samoa, of new business and agriculture ventures. Territorial self-sufficiency has been a goal of the development programme. In attaining this goal, the report continues, maximum effort has been made to assure that the economy does not become dominated by "absentee landlords". Samoan ownership is preferred

in all enterprises. Where this is impossible, Samoan partnership is sought. And where outside capital is required for a development (for instance, in the multi-million dollar tuna canneries), Samoan interest is protected by agreements covering wages and hours calling for maximum promotional opportunities for local residents.

42. The Territory has limited arable land. The Administration is making extensive use of the new medium of educational television to improve agricultural methods, and its effectiveness has been proven through increased inquiries about and purchases of fertilizer by farmers. Fertilizer use in 1965 totalled 17,300 pounds, compared with 3,500 pounds in the previous year. Forestry resources of the Territory have not been utilized efficiently. More than one half of the Territory is covered with indigenous forest species.

43. Fish of a wide variety are abundant in the surrounding waters. Major commercial exploitation of the sea's resources is undertaken by tuna fishing vessels from the Republic of China, Korea and Japan, who are under contract to canneries operated by Star-Kist Samoa, Incorporated, and the Van Camp Company. These canneries, under agreement with the territorial Government, make fish available on the local market at cost. The administering Power reports that its efforts to interest local participation in commercial tuna fishing have not met with satisfactory response despite the possibility of excellent economic potential.

44. In 1965, export tonnage was the highest ever recorded from the Territory and canned tuna retained its dominance in both tonnage and value of exports. Tuna exports were valued at \$9,038,937. The value exceeded 90 per cent of total exports.

45. The economy was further strengthened in December 1965 when the Hotel Pago Pago Intercontinental was opened. The hotel is owned by the American Samoan Development Corporation whose shareholders are, by law, Samoana. It is expected that the new hotel, along with the new jet air terminal, will cause an increase in the number of tourists visiting the Territory.

46. As stated earlier, arable land is limited in total area and it is also highly fragmented in ownership. Types of land ownership include freehold, communal, family, individual and government. Only a very small amount of land is under freehold and government land holdings are also modest, though one large parcel does exist, the land occupied by Pago Pago International Airport on Tafuna.

47. Most land in the Territory is held communally or by families. Under the "Samoa for the Samoans" concept, the Government protects Samoan land ownership. Land may be rented by Samoans or to Samoans without difficulty. Land dealings involving non-Samoans are, however, subject to government approval. The Government's responsibility under the law is to prevent "improvident alienation" of communal lands and this policy is vigorously enforced.
48. Land tenure is generally vested in a village or family chief or matai. This method of land control and stringent government protection of Samoan land rights have prevented creation of large private plantations.
49. The Government of American Samoa is financed from grants-in-aid from the United States Congress, supplemented by local revenues. Direct appropriations are provided for the Governor's office, the Legislature and the Chief Justice of the High Court. In the fiscal year 1965, congressional appropriations and grants totalled \$5,314,001, compared with \$12,002,000 for the fiscal year 1964. Local revenues for the fiscal year 1965 were \$3,153,375, an increase of \$674,045 over the fiscal year 1964.

Social conditions

50. Labour. Federal and territorial statutes govern minimum wages for everyone employed in the Territory except domestic workers and agricultural workers, most of whom work on family or village lands. A Federal Minimum Wage Board sits in the Territory at two-year intervals. It fixes wages for persons employed in the canneries, stevedoring and maritime occupations, airlines and travel agencies and in petroleum distribution. In 1965, these workers received \$1.00 per hour. The territorial minimum was \$0.49 per hour for all other occupations.
51. The basic employment policy of the Government is that Samoans have the first right to any and all jobs. Persons are recruited from overseas only to fill positions for which no qualified local applicant can be found. They are hired on short-term contracts and are responsible for training their Samoan counterparts.
52. There are a considerable number of migrant labourers and craftsmen from neighbouring Western Samoa, the Kingdom of Tonga, the Cook Islands and Niue. The Administration has tightened the immigration legislation and its enforcement, and an active deportation programme has been undertaken to repatriate aliens whose skills are not essential to the Territory's economy.

53. The Social Security Act has been extended to American Samoa. At the end of 1964, some 264 beneficiaries were receiving approximately \$6,000 monthly. At the end of 1965, a large number of workers had amassed enough quarters of employment to qualify for disability benefits. Although there is no territorial law requiring workmen's compensation, disability compensation is available to government employees, and other major employers carry insurance disability claims.

54. Public health. During 1965, the medical services were provided by seven stateside physicians and thirteen Samoan practitioners. Dental care was provided by one stateside dentist and four Samoan dental practitioners. In nursing service and nursing education, five registered nurses supervised nursing care and gave instruction in the School of Practical Nursing. Training facilities consist of a School of Practical Nursing at the main hospital and on-the-job training programmes in x-ray, laboratory, pharmacy, sanitation and dental hygiene. A number of young Samoans are in colleges and universities in the United States pursuing studies in medicine, nursing and the related fields. Free medical and dental care is provided to American Samoans. There is a small charge for hospital care. The Territory has one general hospital with 154 beds, a leprosarium with twenty beds, and four dispensaries (outpatient with beds for minor cases) with twenty-four beds. In 1965, an architectural firm in the United States was placed under contract to design the proposed new American Samoa Tropical Medicine Centre to be built at Faja'alu.

55. The administering Power reports that the mass campaign against filariasis has been successful. In 1962, 28 per cent of the population was infected with filariae, while in 1965 the incidence had dropped to 3 per cent, and it is expected that the disease will be eradicated completely. In 1965, the Administration intended to undertake a mass campaign against intestinal parasites which infect an estimated 80 per cent of the population.

56. The birth-rate of 49 per cent per 1,000 persons is among the highest in the world. A family planning programme was instituted early in 1966 and women seeking assistance are given counselling by the Department of Medical Services.

57. Total expenditures for medical services in 1965 were \$988,190.50 compared with \$1,000,726 in 1964.

Educational conditions

58. Education is compulsory between the ages of 7 through 18 years, or until graduation from the ninth grade. In 1964-65, there were forty-one public and four private elementary schools; five public junior high schools; one public and one private high school; and one public teacher-training school. A total of 6,653 and 1,395 students were enrolled in public and private schools, respectively. The private schools are conducted by religious organizations and function with the approval of the Department of Education. They must meet the requirements for secular education set by the Department.

59. Under the Government's scholarship programme, young Samoans are sent to the United States and elsewhere for advanced training with the hope that they will replace mainland personnel on their return.

60. In 1965, land was acquired for all but three of the twenty-six new consolidated elementary schools and construction was substantially completed on fifteen sites. New high schools for 600 students at Leone and for 300 in Manu'a were opened in the school years 1965-66 and 1966-67.

61. Educational television was introduced in October 1964 when a three-channel television station came into operation. The Michael J. Kirwan Educational Television Centre at Utulei is the centre for administration and production of broadcast lessons and printed material. Curricular specialists of the Department of Education and a special consultant, retained by the Government, have devised a programme in which children at the first level learn reading and writing in Samoan and then gradually begin their studies of oral English. Increasing percentages of instruction are in English until the last years of high school when there is no Samoan instruction.

62. In its report on the Territory, the administering Power reiterates its policy to conserve, in every way possible, the lands and traditions of the Samoan people. It believes that the introduction of educational television has provided new tools for the implementation of this policy. The report states that Samoan reading and writing and culture are now taught to children for the first time and that the entire Department of Education is being "Samoanized" as rapidly as possible. It is expected that adult literary programmes and other programmes concerning modern agricultural methods, public health, local self-government and world events will be introduced on the television networks.

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III. CONSIDERATION BY THE SPECIAL COMMITTEE

63. At its 562nd and 563rd meetings on 22 September 1967, the Special Committee considered the report of Sub-Committee II on Guam and American Samoa which appears as an annex to this chapter.

64. The representatives of Australia, the United Kingdom of Great Britain and Northern Ireland and the United States of America expressed reservations with regard to the Sub-Committee's conclusions and recommendations on these Territories.

65. The representative of the Union of Soviet Socialist Republics said that it was evident from the documentation available to the Special Committee that the administering Power had done virtually nothing to promote the independence of the Territories; moreover, there seemed to be a categorical refusal on its part to comply with United Nations resolutions concerning the Territory of Guam. Not only had the United States not implemented General Assembly resolution 2232 (XXI), it was violating it, other United Nations resolutions and the United Nations Charter on the question of decolonization. It was transforming Guam and American Samoa into an economic and military appendage of the United States, and in doing so was promoting not the interests of the people of the Territories but its own military and economic interests. In addition, it was repressing the aspirations of the peoples of the Territories and hampering the implementation of General Assembly resolution 1514 (XV).

66. No progress had occurred in the political field, since the colonial Power was continuing to maintain its control of the population and prevent the establishment of real self-government. While legislative bodies did exist, they had no genuine power. Therefore, in not leading the people of the Territories to self-determination and independence, the administering Power was explicitly violating the Charter. Moreover, it refused to take any decision regarding the future of the Territories and to set a date for independence; it had plans to absorb the Territories and to convert them into a new state of the United States. In the economic sphere, all the policies of the administering Power were designed to transform the Territories into an appendage of the United States and into markets for United States goods. Agriculture in Eastern Samoa, according to one observer, was using the same methods that had been used when the Territories had been discovered in 1722. Its economy was dominated by foreign monopolies. The Jones and Guerrero company played an important part in the economic life of Guam and

its profits for the year 1966 had exceeded \$3 million. According to reports in The New York Times that company, as well as other United States companies, had been granted special tax privileges and immunities. Furthermore, the administering Power, in ignoring the relevant provisions of the Charter, had done little to improve working conditions in the Territories. There had been 2,000 unemployed Guamanians in 1967; a large number of workers had been forced to emigrate to the United States from Eastern Samoa, including many of the most highly skilled workers in the Territory.

67. The Committee should also not ignore the political role of the island of Guam as a military base of the United States. Its economy was to a great extent dependent on the base: reports in The New York Times had stated that 30 per cent of the labour force of Guam worked at the United States military base. Another observer had stated that many young people were drawn away from agriculture to work at the base. At present the military establishment on the island apparently equalled the indigenous adult population in number.

68. More important still, according to the United States Press, heavy bombers were stationed on Guam, and were being used to bomb both North and South Viet-Nam. The New York Times of 2 December 1966 had stated that the Third United States Strategic Air Division was based on the island and also that bombers left Guam almost daily to bomb Viet-Nam and to carry out strategic tasks in the Far East. The importance of Guam to the United States was shown by the fact that it was a central base for the United States Pacific Command, which operated from the Arctic to the Antarctic with some 600,000 men and immense quantities of equipment. Another example of the misuse by the administering Power of the Territory of Guam was evident from a report in The New York Times that four young Guamanians had been killed while serving with United States forces in South Viet-Nam.

69. The representative of the United States of America, interrupting on a point of order, said he felt that the Soviet Union representative was straying far from the matter at hand. United States military activities in the Pacific and South-East Asia had nothing to do with the Sub-Committee's report on Guam and American Samoa.

70. The Chairman said that, in his view, the Soviet Union representative had been endeavouring to show how a colonial Territory was being used for military purposes and was therefore quite in order.

71. The representative of the Union of Soviet Socialist Republics, continuing his statement, said that in using the Territories of Guam and Eastern Samoa for its military and strategic purposes, the United States showed that it had no thought of granting them independence. It was concerned not with the interests of the people of the Territories but with setting up a beachhead to stifle national liberation movements in the Territories and was assigning a role to the islands which fell in with its own view of United States responsibilities in the Pacific. In doing so it was violating not only General Assembly resolution 1514 (XV), but resolution 2105 (XX) which had asked the colonial Powers to dismantle their military bases and to refrain from establishing new ones.

72. In the light of those considerations, his delegation was of the view that the Committee should make additional and more forceful recommendations to the General Assembly concerning the Territories. It should affirm the right of the peoples of the Territories to self-determination and independence in accordance with General Assembly resolution 1514 (XV), and request the administering Power to create fully competent legislative bodies in the Territories reflecting the interests of the peoples, to return all the land used for military purposes and to eliminate its military bases. The Committee should also condemn the use of Guam as a military base, its use for aggression against Viet-Nam and all plans for merging the Territories with the metropolitan country, and it should call on the administering Power to uphold the right of the people to utilize their own natural resources, abolishing all laws granting privileges to foreign companies.

73. As they stood, the Sub-Committee's conclusions and recommendations were unsatisfactory. His delegation was particularly surprised that the recommendation in paragraph 40 (c) of chapter IV indicated that the assistance of the United Nations and its specialized agencies could be utilized most effectively to help expedite the economic growth of the Territories. Such a recommendation would make a mockery of General Assembly resolution 1514 (XV), particularly when the United States was trying its best to stifle national liberation movements in the Territories. His delegation therefore would not be able to support that recommendation; it would abstain from voting on the other recommendations on Guam and American Samoa since it felt they did not take account of the existing situation

74. The representative of the United States of America said that he categorically rejected the additional recommendations proposed by the Soviet Union representative, as they bore no relationship to the existing situation in the Territories. The Soviet Union representative had made much of information gathered from the Press and other sources, but he had not shown that the information reflected authoritatively the situation in the area, much less the plans and policies of the United States Government. He would flatly deny the charge that the United States military base in Guam was being used for purposes inconsistent with the United Nations Charter. The base had been used for decades in the defence of freedom in the area. He could not accept the assertion that the United States had done nothing to promote self-determination for the people of Guam. In the past year, Guam had held elections with full adult suffrage in which several political parties had been represented covering a wide range of views and the Guamanian people had elected a legislative body which reflected their own desires concerning their future. He did not consider that Soviet experience and policies with regard to the self-determination of countries and nations placed the Soviet delegation in any position to furnish advice to the United States Government on this subject. Nor could he agree with the claim that the United States was attempting to maintain economic supremacy in Guam through its military base. He had described in detail in the Sub-Committee the efforts being made to diversify the economy of the Territory including the establishment of an Economic Development Authority and steps to improve agriculture. An equally false assertion of the Soviet delegate was that the industrial development of Guam was being held back to preserve Guam as a market for United States goods; on the contrary, a number of small industries had recently been created on Guam which were exporting goods to the United States and benefited from advantageous import tariffs. Moreover, a substantial sum had been appropriated for designs to develop Guam's commercial port facilities.

75. American Samoa had also recently elected a legislative body through full adult suffrage. In 1964 Samoa had had an opportunity to make suggestions concerning constitutional change; among the proposals now being implemented was one providing for a larger measure of authority for the Samoan legislature. It was not true to say, as the Soviet delegate had, that Samoa was being monopolized by foreign interests; measures had been taken by the United States Government to ensure that

the development of Samoa benefited the people of the Territory directly. The American Samoan Development Corporation, for example, had only Samoan shareholders; Samoan ownership in all enterprises was preferred, and if not possible, Samoan partnership was sought. Where outside capital was involved, Samoan interests were fully protected by special agreements.

76. The representative of Bulgaria said that, despite the statement of the United States representative, the members of the Special Committee were well aware that what the Soviet Union representative had said was true. The Soviet Union representative had referred to articles in The New York Times, which must be assumed to reflect the actual situation in the United States Territories concerned. The United States was adopting partial measures which gave the appearance of progress while in fact it retained effective control over the Territories. Guam had been transformed into a military base for aggression in South-East Asia and especially Viet-Nam. It was the Committee's responsibility to recommend measures to promote the decolonization process, and that was particularly the case with small Territories, which were often used by administering Powers for military purposes. He supported the Soviet Union proposals to strengthen the conclusions and recommendations of the Committee and to bring them into line with the true situation in the Territories concerned.

77. The representative of the United States of America said that it should be clear from what he had stated earlier regarding recent elections and constitutional changes in Guam and American Samoa that the United States was not seeking to retain control over the affairs of the Territories. In addition, he had referred in the discussions of Sub-Committee II to a proposal pending in the United States Congress for the introduction of a system under which the people of Guam would elect their own chief executive. That proposal had the support of the Federal Government, further evidence that it is not trying to retain control of the political life of the Territories.

78. The representative of Poland said that his delegation had drawn attention in Sub-Committee II to the fact that the administering Power was using Guam for purposes incompatible with the United Nations Charter and General Assembly resolution 1514 (XV). If the conclusions and recommendations of the Sub-Committee were endorsed as they stood, his delegation would have to reserve its position on the matter.

79. The representative of the United Republic of Tanzania said that his delegation was prepared to approve the report and endorse the conclusions and recommendations of the Sub-Committee, but with strong reservations on paragraph 39 (c). The administering Power for the Territory of Guam was deeply involved in military activities in the area, which were not conducive to the welfare of the people and which, in fact, jeopardized their interests. The second sentence of the sub-paragraph, by stating merely that the dependence of Guam on the military activities of the administering Power should be reduced, appeared to condone those activities and was therefore unacceptable to his delegation.

80. The representative of the Union of Soviet Socialist Republics said that his delegation reserved its position on the concluding section of the document. If, however, a separate vote were taken on paragraph 40, his delegation would vote in favour of it.

IV. ACTION TAKEN BY THE SPECIAL COMMITTEE ON THE REPORT OF SUB-COMMITTEE II

81. At its 563rd meeting on 22 September 1967, the Special Committee adopted the conclusions and recommendations of Sub-Committee II concerning Guam and American Samoa, it being understood that the reservations expressed by some members would be reflected in the record. These conclusions and recommendations are as follows:

Conclusions

(1) The Special Committee recognizes that some of the positive steps it noted in its last report have been consolidated: however, it is of the opinion that progress towards full self-government and self-determination and independence continues to be slow.

(2) Although some changes have taken place, the administering Power still retains considerable powers of control in executive and legislative spheres, thus restricting the exercise of self-government by the people of the Territories. The political institutions and executive machinery are not fully representative of the people.

(3) The Special Committee notes the announcement by the administering Power of the establishment of development bodies in the Territories. It still feels that the

development envisaged by these bodies should further be intensified by the administering Power to interest the local people, and that the primary dependence of the economy of Guam on the military activities of the administering Power should be reduced by greatly diversifying the economy of that Territory.

(4) The Special Committee notes that the bill providing for direct election of the Governor of Guam has not yet been adopted by the Congress of the United States. It also notes that the proposals for a new draft constitution for American Samoa took effect on 1 July 1967. Notwithstanding these developments, the Special Committee notes that there is still no time-table of effective measures for a speedy implementation of resolution 1514 (XV).

Recommendations

(5) The Special Committee reaffirms the inalienable right of the people of American Samoa and Guam to self-government and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV).

(6) The administering Power should accelerate the further political development of the Territories by expanding the functions and powers of legislature and by vesting greater executive authority in the hands of the indigenous population.

(7) The Special Committee urges the administering Power to expedite further the economic growth of the Territories by fully developing their agricultural and industrial and other potential and, particularly in the case of Guam, to implement as speedily as possible its plans for the diversification of the economy. In this regard, the assistance of the United Nations and its specialized agencies could be utilized most effectively.

(8) The administering Power is requested to intensify the educational and training facilities for the people of the Territories so as to enable them to occupy more responsible positions.

(9) A visit to the Territories by the Special Committee is necessary and would be most useful, for, in addition to familiarizing the Member States with the needs and aspirations of the people, it would also increase the people's awareness of their rights which have been guaranteed to them by the United Nations.

ANNEX*

REPORT OF SUB-COMMITTEE II ON GUAM AND AMERICAN SAMOA

Consideration by the Sub-Committee

1. The Sub-Committee considered Guam and American Samoa at its 60th, 61st, 62nd and 64th meetings held on 5, 14, 21 April and 7 August 1967.
2. The Sub-Committee had before it the working papers prepared by the Secretariat (see paras. 1-62 of the present chapter).
3. The representative of the United States of America said that members would recall that the Samoan Constitution of 1960 had provided for its automatic review after a period of five years. In 1964, pursuant to a joint resolution of the Samoan Legislature, the Governor had appointed a Committee to carry out the task of review. The amendments proposed by that Committee appeared, inter alia, in the working paper prepared by the Secretariat (see para. 40 of the present chapter); the proposals included the right of the Samoan Legislature to review the portion of the budget to be financed by the United States Government and to appropriate local revenue, and further limitations on the prerogatives of the Governor, who would no longer have the power to promulgate legislation which he had designated "urgent" but which the Samoan Legislature had not approved during the legislative session in which the Governor had introduced the proposed legislation. The Committee's recommendations had been approved by the Samoan electorate in November 1966 and were now being considered by the Secretary of the Interior.
4. With regard to social and economic matters, the Territory had almost completely repaired the damage caused by the January 1966 hurricane. The basic structure of more than 600 new, permanent homes had been completed, and part of the housing fund appropriated in 1966 was being used as a revolving loan fund for home loans. A new hospital would be opened by the end of 1967, several months ahead of schedule.

* Previously issued under the symbol A/AC.109/L.395/Add.3.

5. Samoa had pioneered in the use of educational television to provide quality education for all. Since October 1965, courses had been regularly televised on six channels and could be received in the neighbouring islands.
6. The fishing industry, one of the major employers, had increased its production sixfold since 1962. Tourism, an important source of revenue, promised to continue to develop, thanks to the construction of hotels and the expansion of airline services.
7. As far as Guam was concerned, he said that the United States Congress was currently holding hearings on a bill relating to a future office of elective Governor of the Territory. Under the terms of the bill, the Governor and the Lieutenant-Governor would be elected on the basis of universal adult suffrage, i.e., by the persons qualified to vote for members of the Legislature. The Governor would be responsible for the administration of the laws of Guam and of United States laws applicable to the Territory. A comptroller appointed by the Secretary of the Interior would seek to improve the efficiency of programmes prepared by the Guamanian Government and to ensure the proper use of federal funds. The bill also reaffirmed the bill of rights contained in the territorial legislation and the Organic Act.
8. Out of a civilian population of 50,000, 20,000 persons had been eligible to vote in the general elections held in November 1966, and 17,124 (i.e., 91 per cent) had actually cast ballots. The Democratic Party had won all twenty-one seats in the unicameral Legislature, but the Territorial Party remained active, and a branch of the Republican Party had recently been organized. The population was informed about and encouraged to participate in the political life of the island by two independent daily newspapers and a radio-television station.
9. With a view to diversifying the Guamanian economy, an economic development plan had been drawn up in 1966. To promote agricultural production, the Economic Development Authority, which his delegation had described at some length

last year, had recently concluded a contract under which an agricultural co-operative regularly sold its produce to the Government. Efforts were also being made to set up new meat and poultry processing plants.

10. During the financial year 1966, the Guamanian Commercial Port had handled nearly 193,000 revenue tons of goods, an increase of 38 per cent over 1963. A new port was under construction and nearly \$US5 million had been appropriated for that purpose.

11. Ten new schools had been built; school enrolment had increased by 1,000 students per year for the past four years and would probably grow by 1,500 students per year over the next four years. Guam had a vocational rehabilitation school and a school for mentally retarded persons. The College of Guam offered higher education courses in eight major academic disciplines. There were at present 1,200 full-time students enrolled, and their number was expected to grow to 4,400 within the next five years.

12. The representative of Poland said that Guam was becoming a tragic symbol of the misuse of a Non-Self-Governing Territory. The almost daily references to it in press dispatches were not due to any progress in the economic and political spheres but to its use as a military base by the administering Power, a use which under the terms of General Assembly resolution 2232 (XXI) was incompatible with the purposes and principles of the Charter and with resolution 1514 (XV). According to The New York Times of 20 and 21 March 1967, the Territory, in which six Polaris-missile submarines and fifty B-52 bombers of the United States armed forces were based, looked to Washington for economic help, but it had not been until the President of the United States had visited the island that disaster relief amounting to \$US750,000 had been granted to it. Yet Article 73 of the United Nations Charter laid down that the interests of the inhabitants of a Non-Self-Governing Territory were paramount, and it listed among the tasks of administering Powers that of furthering international peace and security. In Guam, however, the economy was subordinated to the Territory's military usefulness.

13. There had been hardly any advance in the political sphere. In 1964 it had been promised that the Governor would cease to be appointed and would be elected instead. That had not yet happened. The Polish delegation expressed the hope

that that step would be taken without delay, and it would like to know when and how the people of Guam would be enabled to pronounce on their future and thus exercise their right to self-determination.

14. The representative of Sierra Leone said that his delegation had noted the facts given by the United States representative to show the economic progress of the Territories under consideration. It observed, however, that agricultural activity had declined in Guam. Recalling that in resolution 2189 (XXI) the General Assembly had invited the Special Committee to recommend a deadline for the independence of Territories, to pay particular attention to the small Territories and to see to their exercise of the right to self-determination and independence, he observed that if the economic progress of the Territories was as speedy as the administering Power said, there was good reason for asking the United States whether it had considered setting a date for independence.

15. Furthermore, some proof ought to be furnished to the Sub-Committee that the people of Guam and Samoa knew the various possibilities among which they would have to choose in exercising their right to self-determination, for according to the administering Power it would seem that full independence could not easily be achieved.

16. Referring to the Polish representative's comments on the use of Guam for military purposes, the Sierra Leonean delegation took the view that the continued presence of the bases merely provided reasons for delaying the Territory's independence. Although the people of Guam should be able to subsist economically without having to rely on the bases, not enough concern had been shown for them. At all events the administering Power should be asked to consider the possibility of removing the military base from Guam.

17. As to Samoa, the proposals accepted by the people of the islands in 1966 and still pending before the United States Congress seemed a step in the right direction. However, from the statements made by the United States representative, it would seem that progress was still slow. He asked whether there was any possibility of speeding it up. Whatever interpretation might be placed on the fact that there had not been any petitioners from Samoa before the Special Committee, if it appeared that the Samoans were satisfied with the progress of their Territory, then they should be immediately given an opportunity to opt for independence.

18. The representative of Chile said that the information on Guam given in the Secretariat working paper and in the United States representative's statements revealed positive elements for the Territory's development. It was most regrettable, however, that Guam's economy was largely supported by the salaries and wages paid by the military authorities of the base and that the attraction of work in the public sector was impeding agricultural development. The formation of the agricultural co-operative about which the United States delegation had spoken was nevertheless an encouraging sign. Guam's economy should come to depend less and less on the military base so that the people might soon be able to exercise their right to self-determination without facing any obstacle to normal political development. His delegation welcomed the fact that the present Governor of Guam would be the last to be appointed by the President of the United States.

19. He asked the United States representative why he had cited the figure of 50,000 for the population of Guam whereas the Secretariat document said that the population, excluding military personnel, was 45,192.

20. Regarding Samoa, it was regrettable that the chief executive of the Territory was still entirely subordinate to the United States Secretary of the Interior. The legislature, on the other hand, was operating smoothly enough to enable a large amount of legislation to be adopted without constantly incurring the Governor's veto. In that connexion, he asked how many indigenous persons were members of the House of Representatives and the Senate and whether they had a say in the appointment of the islands' administrative personnel; that information would help in assessing any correlation that might exist between the two major branches in administrative matters. It would also be helpful to know approximately how many high posts were held by indigenous persons in the administration, which, according to the Secretariat document, had a total of 2,696 local officers. In so far as local government was concerned, the participation of indigenous persons was satisfactory.

21. To judge from the information given to the Sub-Committee, genuine economic progress was being made. It was essential that economic development should benefit the Samoans. To be able to assess the distribution of wealth in the Territory,

it would be necessary to know the approximate number of Samoans within the total population. Referring to the marked expansion of the tourist industry, he asked whether the shareholders - who had to be Samoans - in the American Samoan Development Corporation, which owned the Hotel Pago Pago Intercontinental, were indigenous persons or United States citizens who had settled in the Territory. In many small Territories in the Pacific and the Caribbean, large hotel firms were relegating the indigenous inhabitants to auxiliary or inferior positions, and in many cases were being used for the amusement of tourists.

22. That situation, however conducive to the development of the Territories, was undermining the social, intellectual and political progress of the people.

23. Although educational progress in Samoa was considerable at the primary and secondary levels, it was less so at the higher level. His delegation, in view of the risk that students who went to a university in the United States might never return home, hoped that the administering Power would consider establishing a regional university, without however giving up the present scholarship programme. Graduates of such an institution could obtain more advanced training in the United States or elsewhere and thus acquire the skills they would need to replace the officials of the administering Power. In addition, Samoan traditions could thus be more fully respected without checking the economic and social development of the Territory or the progress of its people.

24. Turning to the question of visiting missions, he expressed his support for sending of missions to Guam and American Samoa so that the progress being made might be assessed at first-hand and some idea might be obtained on how the pertinent resolutions of the General Assembly were being applied.

25. The representative of India recalled that in 1966 the Special Committee had recommended the administering Power to speed political advancement in the Territories by expanding the functions and powers of the legislatures and vesting executive power in the indigenous population. That recommendation apparently had not been followed, and the Territories were still far from self-government. The proposals of the Constitutional Review Committee had been accepted by the Samoans, and it was to be hoped that they would be approved without delay by the United States Government. It would be helpful to the Sub-Committee to have more information on the proposals, particularly those concerned with increasing the powers of the Samoan Legislature. Furthermore, under those proposals, the Governor

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still had too much power over legislative bills. As he still represented the administering Power, and not the people, arrangements should be made for his election by the people, as was proposed in the case of Guam.

26. The Special Committee had also recommended in 1966 that the administering Power should provide the people of the Territory with increased facilities for education and training. While the declared policy of the administering Power was to give Samoans priority in employment, the fact remained that it had taken no steps to establish in Samoa itself institutions at which Samoans could obtain the training required for employment as skilled workers.

27. Her delegation regretted that, despite the promise given by the United States representative in 1964, the bill providing for an elected Governor in Guam had not yet been passed. The question was particularly important to the Guamanians because the Governor held a veto power over bills passed by the Territorial Legislature. The powers of that Legislature were further limited by the fact that even a law approved by the Governor could be annulled by the United States Congress within one year.

28. Although the administering Power had endeavoured to develop the economy of American Samoa, it was a matter of concern that it had not fully succeeded in interesting the local population in commercial tuna fishing. In the working paper it was stated that United States appropriations and grants in the financial year 1965 had amounted to only \$5.3 million as against \$12 million in 1964. She wondered what the reason was for that reduction, which, in her view, could not be explained by an increase in income in 1965, and what its consequences were for the people.

29. The Sub-Committee had already observed that the economy of Guam depended primarily on the wages of the Guamanians employed at the United States military base in the Territory and had recommended that the Administering Power should implement as speedily as possible its plans for diversifying the economy. It appeared necessary to repeat that recommendation and request the administering Power to intensify its efforts in that direction.

30. In conclusion, her delegation urged the administering Power to take appropriate measures to implement General Assembly resolution 2232 (XXI) and the relevant resolutions of the Special Committee.

31. The representative of the United States of America said that he would obtain information from his Government concerning certain points that had been raised and would transmit it to the Sub-Committee. He categorically rejected the allegations concerning the purposes for which the military base at Guam was being used. That base had existed for several decades and had a long and distinguished record in the defence of freedom. It was used in compliance with the principles embodied in the Charter of the United Nations. The base did not in any way hinder the political, economic and social development of the Territory. As everyone knew, the indigenous population enjoyed universal suffrage. Twenty-two thousand Guamanians out of 50,000 had the right to vote, 18,000 were registered, and 17,000 had voted at the last elections. The people had been informed of all the choices open to them concerning their political future. A bill which would allow the Guamanians to elect their own governor had been introduced in Congress. The United States Congress had been holding hearings on that bill. With regard to financial assistance to the economy of Guam, the latest available information indicated that the total amount of grants authorized under the Rehabilitation Act by the Congress of the United States was \$45 million, of which \$30 million had already been appropriated for school construction, the establishment of public utilities and similar purposes. Those figures demonstrated the magnitude of United States economic assistance to Guam. In addition, the diversification of the Guamanian economy would be speeded by the recently established Economic Development Authority.

32. The representative of Poland pointed out that the figure he had quoted from The New York Times referred to only one grant and not to the total amount of grants to Guam. Furthermore, he believed that regardless of the purposes of the Guam military base, its very existence was contrary to the spirit of the Charter. Lastly, in his view, the election of the Governor represented only a minor advance, since all the laws passed by the Guamanian Legislature on local questions could be annulled by the Congress of the United States, as indicated in paragraph 7 of the working paper.

33. The representative of the United States of America replying to various questions on American Samoa asked at previous meetings, said that in the 1960 census, the total population had been 20,051, of whom 17,732 had been born in

American Samoa. The other inhabitants came primarily from Western Samoa, Tonga, the Cook Islands and Niue, and had been attracted to American Samoa because of its buoyant economy and its high wages. It was governmental policy to give Samoans primary rights to all jobs; outside recruitment was undertaken only when the workers needed could not be found locally. On 30 June 1965, the Samoan Government had 2,890 employees, of whom 182 were foreign contract employees in positions for which no qualified local staff could be found. Eighty Samoans worked part-time as district governors, judges, county chiefs, district clerks and mayors.

34. The Senate of American Samoa had fifteen members: one member from each of the counties, plus one member representing the four counties in the western district in rotation. By Samoan custom, the fourteen senators from the counties must be matais, i.e., hereditary chieftains. The seventeen members of the House of Representatives were elected on the basis of universal adult suffrage. During the eighth regular session, all senators and representatives had been native Samoans. Representatives must have lived in Samoa for at least five years.

35. The Governor of Samoa appointed most government officials. Before appointing a district governor, county chief or city administrator, he had to request recommendations from the appropriate district councils and officials, in other words, he must obtain the approval of the Samoans themselves.

36. In the economic sphere, the American Samoan Development Corporation had been organized both to speed up the development of Samoa and to make it possible for the people to invest. While the Government had helped the Corporation financially, all shareholders must be Samoans. Samoan ownership in all enterprises was preferred and if that was not possible then Samoan partnership was sought. Where outside capital was involved, Samoan interests were fully protected by agreements covering wages and hours and guaranteeing maximum promotional opportunities for local residents.

37. Therefore, any fear that Samoans held only menial jobs while outsiders held all the lucrative positions was absolutely groundless. For example, the new hotel to which reference had been made during the discussion was owned by Samoans.

38. With reference to the statement of the representative of India, who had expressed concern at the fluctuations in appropriations for the Territory, he pointed out that American Samoa had a population of only 26,000 and that its regular budget was therefore relatively small. The figures given in the working paper covered both the regular administrative budget and the capital development budget. A capital improvement of relatively moderate size might therefore create a false impression. In that connexion, he noted that it had been during the 1964 fiscal year that educational television had been established in the Territory, and land for school sites had been purchased. Those programmes alone had cost over \$3.5 million. In addition, a new international terminal building had been dedicated at Pago Pago before the end of that fiscal year.

Conclusions of the Sub-Committee

39. (a) The Sub-Committee recognizes that some of the positive steps it noted in its last report have been consolidated: however, it is of the opinion that progress towards full self-government and self-determination and independence continues to be slow.

(b) Although some changes have taken place, the administering Power still retains considerable powers of control in executive and legislative spheres, thus restricting the exercise of self-government by the people of the Territories. The political institutions and executive machinery are not fully representative of the people.

(c) The Sub-Committee notes the announcement by the administering Power of the establishment of development bodies in the Territories. It still feels that the development envisaged by these bodies should further be intensified by the administering Power to interest the local people, and that the primary dependence of the economy of Guam on the military activities of the administering Power should be reduced by greatly diversifying the economy of that Territory.

(d) The Sub-Committee notes that the bill providing for direct election of the Governor of Guam has not yet been adopted by the Congress of the United States. It also notes that the proposals for a new draft constitution for American Samoa took effect on 1 July 1967. Notwithstanding these developments, the Sub-Committee notes that there is still no time-table of effective measures for a speedy implementation of resolution 1514 (XV).

Recommendations of the Sub-Committee

40. (a) The Sub-Committee reaffirms the inalienable right of the people of American Samoa and Guam to self-government and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV).

(b) The administering Power should accelerate the further political development of the Territories by expanding the functions and powers of legislature and by vesting greater executive authority in the hands of the indigenous population.

(c) The Sub-Committee urges the administering Power to expedite further the economic growth of the Territories by fully developing their agricultural and industrial and other potential and, particularly in the case of Guam, to implement as speedily as possible its plans for the diversification of the economy. In this regard, the assistance of the United Nations and its specialized agencies could be utilized most effectively.

(d) The administering Power is requested to intensify the educational and training facilities for the people of the Territories so as to enable them to occupy more responsible positions.

(e) A visit to the Territories by the Special Committee is necessary and would be most useful, for, in addition to familiarizing the Member States with the needs and aspirations of the people, it would also increase the peoples' awareness of their rights which have been guaranteed to them by the United Nations.

CHAPTER XIX*

TRUST TERRITORY OF THE PACIFIC ISLANDS

I. ACTION TAKEN BY THE SPECIAL COMMITTEE IN 1966

1. After considering the Trust Territory of the Pacific Islands in September 1966, the Special Committee reaffirmed the inalienable right of the people of the Trust Territory of the Pacific Islands to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV) of 14 December 1960. It recommended that the administering Power should accelerate the further political development of the Territory by expanding the functions and powers of legislature and by vesting executive authority in the hands of the indigenous population. It urged the administering Power to expedite further the economic growth of the Territory by fully developing its agricultural and industrial potential; in this regard it considered that the assistance of the United Nations and its specialized agencies could be utilized most effectively. It requested the administering Power to increase the educational and training facilities for the people of the Territory. Finally, it considered that a visit to the Territory by the Special Committee was necessary and would be most useful, for, in addition to familiarizing the Member States with the needs and aspirations of the people, it would also increase the people's awareness of their rights which had been guaranteed to them by the United Nations.

II. INFORMATION ON THE TERRITORY^{1/}

Introduction

2. The Trust Territory of the Pacific Islands consists of about 2,100 islands situated in the Western Pacific ocean north of the Equator. These have a total

* Parts I and II of this chapter were previously issued under the symbol A/AC.109/L.416.

^{1/} The information presented here has been derived from published reports. Also used has been the information before the Trusteeship Council at its thirty-fourth session, in particular the report of the Administering Authority for the period 1 July 1965 to 30 June 1966 transmitted under Article 88 of the Charter (T/1661).

land area of 687 square miles (1,799 square kilometres) and are scattered over some 3 million square miles of ocean (7,700,000 square kilometres) from east to west and 1,300 miles (2,080 kilometres) from north to south. They are classified broadly as "high" volcanic islands or "low" coral islands, and range in size from high islands to very small coral islets. Many of the small sand and coral islets are too small and lacking in resources to support human life. Ninety-six island groups are inhabited. In 1966, the population totalled 92,373 compared with 90,596 in 1965. With the exception of over 1,100 Polynesians, the indigenous people are broadly classed as Micronesians.

Constitutional development

3. The Congress of Micronesia, a bicameral legislature, held its first session in July 1965 during which it adopted a joint resolution designating its two chambers as the Senate and the House of Representatives. The former consists of twelve senators, two elected at large from each of the six districts of the Territory. The latter consists of twenty-one representatives who are elected from single-member election districts of approximately equal population. Members are chosen in biennial elections by secret ballot of residents of the Territory who are citizens of the Territory and eighteen years of age or over. The second general election to the Congress of Micronesia, on the basis of universal adult suffrage, was held in November 1966.

4. The legislative powers of the Congress of Micronesia provide, inter alia, that no legislation may be inconsistent with the following: (a) treaties or international agreements of the United States; (b) laws of the United States of America applicable to the Trust Territory; (c) executive orders of the President of the United States and orders of the Secretary of the Interior; or (d) sections 1 through 12 (Bill of Rights) of the Code of the Trust Territory, which constitute the basic laws and regulations governing all residents of the Territory. The Congress has powers to levy taxes and to participate in the preparation of the annual budget of the Trust Territory. Bills passed by the Congress may be vetoed by the High Commissioner; however, legislation twice vetoed by the High Commissioner must be referred to the Secretary of the Interior for further action.

5. Money bills enacted by the Congress of Micronesia shall not provide for the appropriation of funds in excess of such amounts as are available from revenues raised pursuant to the tax laws and other revenue laws of the Trust Territory. The Congress has no power to appropriate funds in excess of internal revenue, but it has the authority to review the preliminary budget plan of the High Commissioner before his final submission of the budget to the Secretary of the Interior for federal funds. With respect to such portions of the preliminary budget plan, the High Commissioner shall adopt such recommendations of the Congress as he may deem appropriate, but he shall transmit to the Secretary of the Interior all recommendations he has not adopted.

6. At its thirty-fourth session the Trusteeship Council was informed that as a transitional measure one or two representatives of the Congress of Micronesia would be asked to participate in budget presentations to the United States Congress. It noted, however, that over 95 per cent of the Trust Territory's central budget was provided by grants appropriated by the Congress of the United States. The Congress of Micronesia could not therefore exercise effective control over the larger part of government activities and this had created a certain feeling of frustration among Micronesian political leaders and legislators. The Trusteeship Council reiterated its expression of hope that steps would soon be taken to enlarge the financial responsibility of the Congress of Micronesia by progressively extending its powers to include appropriations of United States subsidies.

Public service

7. At 30 June 1966, Micronesian employees in senior, professional and executive positions numbered 151, an increase of twenty-three over the previous year. During the same period, Micronesians in professional, administrative and protective posts increased from 1,980 to 2,191. Non-indigenous employees over the same period increased from 318 to 327.

8. In its report for the year 1965, the Administering Authority stated that three senior administrative positions were filled by Micronesians, and one Micronesian Assistant District Administrator had been awarded a Parvin Graduate

Scholarship in Public Administration for advanced academic graduate and internship training at Princeton University. In September 1965, a Micronesian was appointed District Administrator of the Marshall Islands District, the first Micronesian to receive such an appointment.

9. In March 1966, pursuant to the Congress of Micronesia's joint resolution requesting the High Commissioner to develop proposals for civil service regulations for Micronesian employees of the Trust Territory Government, a task force was established to develop proposals for a Civil Service Act. At present, Micronesians are employed in accordance with policy and procedure established by the High Commissioner.

10. At its thirty-fourth session, the Trusteeship Council was informed of the following steps taken to bring Micronesian employees into the planning and decision-making process as well as to acquaint them with major problems and issues confronting the Administration: (a) a programme to rotate Micronesian district administrators to broaden their political and administrative experiences; (b) a plan to assign one Micronesian assistant district administrator as the administrative assistant to the High Commissioner; and (c) a policy to have representative Micronesian staff members participate in cabinet meetings.

Economic conditions

11. The economy of the Territory is based primarily on subsistence agriculture and fishing. Cash income is provided mainly through the production of copra, harvesting of trochus shell, government employment, employment by private businesses and the sale of handicrafts, fish and vegetable produce. In 1965-1966 the value of copra exports amounted to \$2,512,383, as compared with \$2,525,117 the previous year.

12. At the thirty-fourth session, the Trusteeship Council was informed that a critical evaluation of the entire agricultural programme had been undertaken by the Administration with the purpose of determining ways and means for increasing production of both domestic and export crops and the subsequent increase in return to the producers, that consideration was being given to redirecting the

emphasis of agricultural stations away from experimentation and in the direction of demonstration farming, and that the first Territory-wide contract had been awarded to a Micronesian firm (the United Micronesian Development Association) to purchase and market copra in the Territory.

13. The Territory possesses very limited mineral resources. Although there was some small-scale mining done before 1955, there has not been any since then. A small quantity of timber is processed on the high islands for local needs, but it is doubtful whether the forests of the Territory will ever be capable of providing a sufficient yield for export. No large-scale industries exist. Small processing and service industries are now being developed and are reported to be increasing in number.

14. At its thirty-fourth session, the Trusteeship Council was informed that the economic consulting firm which, in 1965, had undertaken a two-year economic development programme for the Trust Territory submitted its plan at the beginning of 1967. The plan, which follows a preliminary report submitted in 1966 identifying the areas the firm considered most promising, is based on the two-year study of various factors, conditions and policies affecting economic development prospects. The Administering Authority stated that with the exception of the proposals for land ownership by non-citizens and the large-scale importation of foreign labour, it accepted the validity of the other major recommendations of the report. Recommendations of that report were being evaluated to identify opportunities for action and to set priorities. However, the questions of power, water and sanitation had been given top priority, and surveys to provide reliable data and to identify the scope and cost of services had been conducted in various districts.

15. The principal private companies active in the Trust Territory consist of thirty-four import and export companies. All are owned by Micronesians except two, which are owned by foreign residents. Until 1962, there was no permanent foreign investment in the Territory owing to the Administering Authority's policy of encouraging Micronesian investment and enterprise. That policy was changed in 1962 with the signing of an Executive Order directing that regulations be revised

to facilitate outside private investment in order to stimulate new economic activity. The major non-indigenous private investment in the Territory is the development of commercial fishing in the Palau District by a United States sea food company. Other non-indigenous private investments in the Territory include two economic development projects in the Mariana Islands District, a hotel corporation and two insurance companies.

16. The Territory possesses substantial fishery resources, although these have not been exploited commercially to an appreciable extent. The first major development of fisheries resources came in Palau District in 1964 with the construction of plant facilities required to start fishing operations by a United States sea food company. Plans are under way to expand commercial fisheries operations as two other sea food companies have received permission to conduct six-month engineering and feasibility surveys in connexion with building a freezing plant and cold-storage warehouse and other necessary shore facilities on proposed sites in Truk. In anticipation of opening fisheries operations in this district, a number of trainees from Truk and Ponape are working on tuna vessels in Palau. The Bureau of Commercial Fisheries, Fish and Wildlife Service, United States Department of the Interior, set up a fishery sampling station in Palau with the initial work being directed toward collection of statistics and biological samples in the tuna fisheries.

17. The Trust Territory depends largely on United States grants to balance its budget. In 1962, legislation was enacted by the United States Congress to raise the statutory limitation on appropriations for the Trust Territory from \$7.5 million to \$17.5 million. For the fiscal years 1963 through 1966 a total of \$64,844,000 was appropriated by the United States Congress for administration of the Trust Territory, and since 1964 its deficits have amounted to over \$20 million annually. During the year ending 30 June 1966, total expenditures increased by \$247,902 to \$23,755,638, of which only \$1,090,104 was financed from local revenue. In 1966 the United States Congress did not authorize the Administration's proposal for an appropriation of \$172 million for a five-year capital development plan, in addition to the expanded operating budget of \$152 million for the five-year period. The eighty-ninth Congress of the United

States took the view that the proposal was too ambitious and that a scaled-down two-year programme would be more realistic. A new bill raising the ceiling to \$25 million for 1967 and to \$35 million for 1968 and 1969 was passed by Congress and signed by the President on 10 May 1967.

Report of the Trusteeship Council in 1967

18. The Trusteeship Council at its thirty-fourth session in June 1967 completed its examination of the annual report of the Administering Authority for the period 1 July 1965 to 30 June 1966 (T/1661).

19. In a letter dated 30 June 1967 (A/AC.109/255), the President of the Trusteeship Council informed the Chairman of the Special Committee that the Council had adopted a report on the Trust Territory of the Pacific Islands for submission to the Security Council (S/8020). The report contains, in addition to the Trusteeship Council's conclusions and recommendations and the observations of its individual members, detailed information on political, economic, social and educational conditions.

III. CONSIDERATION BY THE SPECIAL COMMITTEE

20. At its 562nd and 564th meetings, on 22 and 27 September 1967, the Special Committee considered the report of Sub-Committee II on the Trust Territory of the Pacific Islands which appears as an annex to this chapter.

21. The representative of the United Kingdom of Great Britain and Northern Ireland, the United States of America and Australia expressed reservations on the conclusions and recommendations of the Sub-Committee on the Trust Territory of the Pacific Islands.

22. The representative of the Union of Soviet Socialist Republics recalled that his delegation had stated its position with regard to the Trust Territory during the thirty-fourth session of the Trusteeship Council. It had criticized the activities of the Administering Authority in detail and had indicated ways in which General Assembly resolution 1514 (XV) should be implemented. It had also criticized the Administering Authority's conduct in relation to various situations prevailing in the Territory.

23. The use of the word "considerable" in paragraph 12 of the Sub-Committee's report was ill-advised in that it could be taken to imply that certain powers had been transferred to the Micronesian Legislature. His delegation had shown during the Trusteeship Council debate that all power remained in the hands of the Administering Authority. The report would portray the situation with greater accuracy if the words "considerable powers" were replaced by "all powers".

24. The Trusteeship Council debate had further shown that not a single indigenous inhabitant of the Territory was allowed by the Administering Authority to occupy a higher administrative post and the statement in paragraph 13 of the report that progress in allowing indigenous people to take such posts was still very slow was therefore quite inaccurate. There had been no progress whatsoever in that direction and that should be stated in the report. Furthermore, the Administering Authority should be called upon to take immediate steps to transfer all power to the people of the Territory.

25. It was evident that the economic dependence of the Territory on the Administering Authority was complete and paragraph 14 should state that while the Sub-Committee was aware of the plans to strengthen the islands' economy, those plans were not sufficient to lessen the economic dependence of the Territory on the Administering Authority. His delegation would therefore reserve its position on that paragraph.

26. Among its conclusions, the Special Committee should note with regret that General Assembly resolutions 2105 (XX) and 2189 (XXI) had not been implemented and that nothing had been done to dismantle military bases in the Territory. In addition, the Committee should call on the Administering Authority to take immediate steps to implement those resolutions.

27. The representative of the United States of America said that the USSR proposals were based on allegations identical with those made by the Soviet delegation in the Trusteeship Council. Those allegations had been answered by his delegation, by representatives of the Micronesian Legislature and by members of the Trusteeship Council who had had the opportunity, which the Soviet representative had not had, to visit the Territory. He objected to the Soviet amendment to paragraph 12 which would detract from the accuracy and value of the report.

28. The Special Committee then adopted the Soviet amendment to paragraph 12 by 8 votes to 6, with 9 abstentions.

29. The representative of Australia, speaking in explanation of vote, said that he had voted against the Soviet amendment because it was a manifest contradiction of the facts. He himself had been a member of a visiting mission to the Territory and had had extensive interviews with members of representative bodies at various levels. In some cases the latter had very considerable powers and the Special Committee had placed itself in a curious position by stating that the Administering Authority continued to retain all powers.

30. The representative of the United States of America said that the Soviet amendment to paragraph 12 bore no relation to the facts since the Territory's Legislature did have certain powers. The Soviet amendment to paragraph 13 was likewise misleading and his delegation objected to the USSR representative's attempts to change a report which was the result of much careful deliberation.

31. At the 564th meeting, the representative of the Union of Soviet Socialist Republics proposed the following amendments:

A. Replace the text of paragraph 13 by the following:

"13. The Sub-Committee notes that from the time when the last report was submitted to it no progress has been achieved in the Territory in allowing the indigenous people to take higher administrative roles."

B. After paragraph 14, add a new paragraph 15, as follows:

"15. The Sub-Committee notes that the Administering Authority has not given effect to the provisions of General Assembly resolutions 2105 (XX) and 2189 (XXI) which request the colonial Powers to dismantle their military bases and installations in colonial Territories and to refrain from establishing new bases in those Territories."

C. After paragraph 19, add the following new paragraph:

"The Sub-Committee calls on the Administering Authority to take immediate steps for implementing the provisions of resolutions 2105 (XX) and 2189 (XXI) which request the colonial Powers to dismantle their bases and installations in colonial Territories and to refrain from establishing new ones there."

32. At the same meeting, the representative of the Union of Soviet Socialist Republics said that, although his amendments faithfully reflected the situation in the Trust Territory, it would be sufficient, if they were included in the records.

IV. ACTION TAKEN BY THE SPECIAL COMMITTEE ON THE REPORT OF
SUB-COMMITTEE II

33. At its 564th meeting, the Special Committee adopted the conclusions and recommendations of Sub-Committee II concerning the Trust Territory of the Pacific Islands, as amended, it being understood that the reservations expressed by some members would be reflected in the record. These conclusions and recommendations are as follows:

Conclusions

(1) The Special Committee notes that, since its last report, minor advances have been made in the Territory, especially in health and education. It, however, believes these could be accelerated.

(2) Even though there is a Legislature, the administering Power continues to retain all powers in the executive and legislative spheres thus restricting progress towards self-determination and independence in the Territory.

(3) The Special Committee notes that progress in allowing the indigenous people of the Territory to take higher administrative roles is still very slow and believes that the direction of education can be better suited towards this end.

(4) While the Special Committee is aware of the plans to strengthen the islands' economy, it believes that more ought to be done to lessen the economic dependence of the Territory on the administering Power.

Recommendations

(5) The Special Committee reaffirms the inalienable right of the people of the Territory to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV).

(6) The Special Committee recommends to the administering Power that the Congress of Micronesia should be provided with greater powers for the speedy implementation of General Assembly resolution 1514 (XV).

(7) Steps should be taken by the administering Power to ensure that the people of the Territory assume the highest positions in the executive and administrative sectors of Government.

(8) The administering Power is requested to re-examine its educational and economic programme for the Territory to ensure that the plans are best suited to the needs of the Territory for a rapid rate of progress towards the implementation of General Assembly resolution 1514 (XV).

(9) The Special Committee reaffirms that a visit to the Territory by the Special Committee is necessary and would be most useful, for, in addition to familiarizing the Member States with the needs and aspirations of the people, it would also increase the people's awareness of their rights which have been guaranteed to them by the United Nations.

ANNEX*

REPORT OF SUB-COMMITTEE II ON THE TRUST TERRITORY OF THE
PACIFIC ISLANDS

Consideration by the Sub-Committee

1. The Sub-Committee considered the Trust Territory of the Pacific Islands at its 65th, 67th and 69th meetings held from 10 August to 7 September 1967.
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see paras. 1-19 of the present chapter).
3. The representative of the United States of America observed that the Territory had been the subject of detailed discussion in the Trusteeship Council quite recently and that the Council had taken note of the report of the United Nations Visiting Mission. In the circumstances he did not think that it would be useful to make a further statement.
4. The representative of Sierra Leone observed that it was probably accurate to say that there had been accelerated progress in the Territory in the previous five years. Nevertheless, the two essential considerations were, first, whether that progress had been sufficiently rapid and, secondly, whether the direction it was taking was in the best interests of the people of the Territory.
5. The 1967 United Nations Visiting Mission to the Territory had concluded that there had been material progress in education. At the same time, it had recommended that urgent attention should be given to vocational and technical education and had suggested that, to that end, the Administration might consider some reorganization of its present priorities. It had further recommended that more attention should be given in the primary and secondary curricula to subjects of more relevance to Micronesian conditions. It was clear that if the population was to be prepared for independence, education, particularly higher education, must be geared to contribute as much as possible to that end.
6. The 1964 Visiting Mission to the Territory had been surprised to find that of the fourteen most senior advisers to the High Commissioner, not one was a

* Previously issued under the symbol A/AC.109/L.395/Add.5.

Micronesian. The situation had not greatly changed since then, and there were still no Micronesians at the most senior levels. More attention therefore had to be given to providing the indigenous inhabitants with the training necessary for them to lead the Territory to independence. Administering Powers were inclined to assert that the people of the Territories for which they were responsible were poorly qualified to organize, for example, a modern civil service and would be unable to cope with modern conditions. If, however, indigenous populations were not given appropriate training, the administering Powers had to be reminded of their responsibilities in that connexion.

7. There had been some political and constitutional progress in the Territory, but his delegation would urge the administering Power to increase its pace. He wondered whether the administering Power was providing the inhabitants of the Territory with sufficient information on the various types of administrative structure which would be available to them when they attained independence. In almost every colonial situation, a form of government closely adapted to that of the parent country was prescribed for use after independence. While it would be difficult for the Administering Authority to inform the population of alternative administrative structures, it was most important that the people should be free to work out a system best suited to their own interests and circumstances.

8. The representative of the United States of America stated that his delegation's failure to comment on each paragraph during consideration of the conclusions and recommendations in the draft report should not be interpreted as an indication that the United States subscribed without reservation to the substance and language of paragraphs 7 to 14. The United States would not comment specifically on those paragraphs because it had discussed those points at great length in the Trusteeship Council and had provided factual material on the Territory itself as well as on the policies of its Government with regard to the Territory. That material was contained in the documents of the Trusteeship Council.

9. His delegation had to enter a general reservation regarding that section of the draft report. Under Article 82 of the Charter there might be designated, in any trusteeship agreement, a strategic area or areas which might include part or all of the Trust Territory to which the agreement applied, and the Trust Territory of the Pacific Islands had been, in fact, so designated. Article 83 of the Charter provided that all functions of the United Nations relating to strategic areas

should be exercised by the Security Council which might avail itself of the assistance of the Trusteeship Council to perform those functions of the United Nations under the Trusteeship System. The Security Council had, in fact, for a number of years delegated authority to the Trusteeship Council to scrutinize closely developments in the Trust Territory of the Pacific Islands. In 1967, the situation in the Territory had received particularly careful scrutiny. A Visiting Mission, which had gone to the Territory early that year, had submitted a detailed and objective report to the Trusteeship Council. In addition, the Council had heard representatives of the Congress of Micronesia as well as the High Commissioner for the Trust Territory, members of his staff and officials of the United States Department of the Interior. After a study of that testimony and the reports submitted to it, the Council had prepared a number of conclusions and recommendations. His Government had already informed the Trusteeship Council that it would give those recommendations very careful consideration.

10. Subject to reservations expressed by the representatives of Australia and the United States of America, particularly on the sending of a visiting mission, the following conclusions and recommendations were adopted.

Conclusions and recommendations of the Sub-Committee

Conclusions

11. The Sub-Committee notes that, since its last report, minor advances have been made in the Territory, especially in health and education. It, however, believes these could be accelerated.

12. Even though there is a Legislature, the administering Power continues to retain considerable powers in the executive and legislative spheres thus restricting progress towards self-determination and independence in the Territory.

13. The Sub-Committee notes that progress in allowing the indigenous people of the Territory to take higher administrative roles is still very slow and believes that the direction of education can be better suited towards this end.

14. While the Sub-Committee is aware of the plans to strengthen the islands' economy, it believes that more ought to be done to lessen the economic dependence of the Territory on the administering Power.

Recommendations

15. The Sub-Committee reaffirms the inalienable right of the people of the Territory to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV).
16. The Sub-Committee recommends to the administering Power that the Congress of Micronesia should be provided with greater powers for the speedy implementation of General Assembly resolution 1514 (XV).
17. Steps should be taken by the administering Power to ensure that the people of the Territory assume the highest positions in the executive and administrative sectors of Government.
18. The administering Power is requested to re-examine its educational and economic programme for the Territory to ensure that the plans are best suited to the needs of the Territory for a rapid rate of progress towards the implementation of General Assembly resolution 1514 (XV).
19. The Sub-Committee reaffirms that a visit to the Territory by the Special Committee is necessary and would be most useful, for, in addition to familiarizing the Member States with the needs and aspirations of the people, it would also increase the people's awareness of their rights which have been guaranteed to them by the United Nations.

CHAPTER XX*

COCOS (KEELING) ISLANDS, TRUST TERRITORY OF NAURU, PAPUA
AND THE TRUST TERRITORY OF NEW GUINEA

I. ACTION PREVIOUSLY TAKEN BY THE SPECIAL COMMITTEE
AND BY THE GENERAL ASSEMBLY

1. In 1964, the Special Committee adopted conclusions and recommendations concerning the Cocos (Keeling) Islands, the Trust Territory of Nauru, Papua and the Trust Territory of New Guinea.^{1/} After considering the Territories in 1966, it recommended that the peoples of these Territories should be enabled to express their wishes in accordance with the provisions of General Assembly resolution 1514 (XV) of 14 December 1960 through well-established democratic processes under United Nations supervision. It also recommended that a visiting mission would be useful in assessing the political climate and aspirations of the peoples concerned, and that steps might be taken to arrange such a visit in consultation with the administering Power.^{2/}
2. Concerning Nauru, it also recommended that the implementation of General Assembly resolution 1514 (XV) and the resettlement of Nauruans, being two distinct questions, should be settled independently, precedence being given to the first, as desired by the Nauruans themselves. It recommended that the Nauruans should be given full control over their natural economic resources, and hoped that the forthcoming discussions between the people of Nauru and the administering Power would resolve all outstanding questions in that regard. Moreover, it recommended that the administering Power should take concrete measures in conformity with the provisions of General Assembly resolution 1514 (XV) to fulfil the desire of the people of Nauru to become independent by January 1968.
3. With regard to Papua and the Trust Territory of New Guinea, the Special Committee recommended that steps should be taken in the constitutional field to

* Parts I and II of this chapter were previously issued under the symbol A/AC.109/L.384 and Add.1 and 2.

^{1/} Official Records of the General Assembly, Nineteenth Session, Annex No. 8 (A/5800/Rev.1), chapter XIX, paras. 131-155.

^{2/} A/6300/Add.9, chapter XIX, para. 73.

abolish the special and reserved seats in the House of Assembly and to speedily implement General Assembly resolution 1514 (XV). It also recommended that the local government councils should be further strengthened in order to give the population the possibility of exercising self-government in municipal affairs, and felt that the efforts in the economic and educational fields should continue at an accelerated pace.

4. At its twentieth and twenty-first sessions respectively, the General Assembly adopted resolutions 2069 (XX) of 16 December 1965 and 2232 (XXI) of 20 December 1966 concerning several Territories, including the Cocos (Keeling) Islands. Resolution 2232 (XXI) called upon the administering Power to implement without delay the relevant resolutions of the General Assembly. It reiterated the Assembly's declaration that any attempt aimed at the partial or total disruption of the national unity and territorial integrity of colonial Territories and the establishment of military bases and installations in these Territories was incompatible with the purposes and principles of the Charter of the United Nations and of General Assembly resolution 1514 (XV). It urged the administering Powers to allow visiting missions to visit the Territories and to extend to them full co-operation and assistance. It decided that the United Nations should render help to the peoples of these Territories in their efforts freely to decide their future status. Finally, it requested the Special Committee to pay special attention to the Territories and to report on the implementation of the present resolution to the General Assembly at its twenty-second session.

5. At its twentieth and twenty-first sessions respectively, the General Assembly adopted resolutions 2111 (XX) of 21 December 1965 and 2226 (XXI) of 20 December 1966 concerning the Trust Territory of Nauru. Resolution 2226 (XXI) reaffirmed the inalienable right of the people of Nauru to self-government and independence and recommended that the Administering Authority fix the earliest possible date, but not later than 31 January 1968, for the independence of the Nauruan people in accordance with their freely expressed wishes. Furthermore, it recommended that the Administering Authority transfer control over the operation of the phosphate industry to the Nauruan people and take immediate steps, irrespective of the cost involved, towards restoring the island of Nauru for habitation by the Nauruan people as a sovereign nation.

6. Concerning Papua and the Trust Territory of New Guinea, the General Assembly adopted resolutions 2112 (XX) of 21 December 1965 and 2227 (XXI) of 20 December 1966 at its twentieth and twenty-first sessions. Resolution 2227 (XXI) called upon the administering Power to implement fully General Assembly resolution 1514 (XV), to inform the Trusteeship Council at its thirty-fourth session and the Special Committee of the action taken in this regard and to implement the following measures: removal of all discriminatory electoral qualifications; abolition of all discriminatory practices in the economic, social, health and educational fields; holding of elections on the basis of universal adult suffrage with a view to transferring power to the people of the Territories; and fixing of an early date for independence. It further called upon the administering Power to refrain from utilizing the Territories for military activities incompatible with the Charter of the United Nations.

II. INFORMATION ON THE TERRITORIES

A. COCOS (KEELING) ISLANDS^{3/}

General

7. The Territory of Cocos (Keeling) Islands consists of twenty-seven small coral islands in two separate atolls with a total land area of about five-and-a-half square miles (14.3 square kilometres). It is situated in the Indian Ocean, approximately 1,720 miles north-west of Perth and 2,290 miles west of Darwin, Australia. Direction Island, West Island and Home Island are the only inhabited islands. The administrative headquarters of the Territory are located on West Island.

8. The islands were uninhabited until 1826, when the first settlement was established by Alexander Hare, an Englishman. The largest population group is formed by the descendants of the original Malayan settlers brought to the Territory

^{3/} The information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information transmitted to the Secretary-General by Australia under Article 73 e of the Charter on 28 February 1967 for the year ended 30 June 1965.

in 1827 by John Clunies-Ross, a Scottish seaman. These people, known as Cocos Islanders, live on Home Island. Europeans form the other population group in the Territory, comprising the Clunies-Ross family, employees of government departments, the Shell Company of Australia, Qantas Empire Airways, Limited and the Overseas Telecommunications Commission (Australia) and their families.

9. The population of the Territory at 30 June 1965 was estimated to be 675 made up as follows:

<u>Place</u>	<u>Race</u>	<u>Number</u>
West Island	European	167
Direction Island	European	38
Home Island	(Cocos Islanders (Malays) (Europeans)	468 <u>2</u>
Total		675

The comparative population figure for 1961 was 606, comprising 423 Cocos Islanders and 183 Europeans.

Status

10. In 1857 the islands were formally declared part of the British Dominions. On 23 November 1955, the islands ceased to form part of the Colony of Singapore and were accepted as a Territory under the authority of the Commonwealth of Australia, to be known as the Territory of Cocos (Keeling) Islands. The Territory is administered by the Government of Australia in accordance with the terms of the Cocos (Keeling) Islands Act, 1955-1963. Persons born in the Territory on or after 23 November 1955 are Australian citizens and British subjects. However, for those who, immediately before 23 November 1955, were British subjects ordinarily resident on the islands but not Australian citizens, provisions were made for them to become Australian citizens if they so wished. Thirty-nine Cocos Islanders have been granted Australian citizenship under these provisions.

Constitution

11. The basis of the Territory's legislative, administrative and judicial systems is the Cocos (Keeling) Islands Act, 1955-1963, which is administered by the Minister of State for Territories. Under the Act, the laws which were in force in

the islands immediately before the date of transfer have been continued in force, but may be amended or repealed by an ordinance or by a law made under an ordinance of the Territory.

12. Commonwealth acts do not apply to the Territory unless expressed to extend thereto. The Cocos (Keeling) Islands Act empowers the Governor-General to make ordinances for the peace, order and good government of the Territory. These ordinances are required to be tabled in the Parliament of the Commonwealth of Australia and are subject to disallowance in part or whole by the Parliament.

13. An Official Representative who is appointed by the Minister of State for Territories exercises such powers and performs such functions in relation to the Territory as are delegated to him by the Minister under the Cocos (Keeling) Islands Act, 1955-1963 or otherwise conferred on him under the Act or by or under any other law of the Territory. At present, he is responsible for general administration, including health and education.

14. In addition to the Department of Territories, a number of other Commonwealth departments are represented in the Territory, either directly or through the agency of other departments. These include, inter alia, the Prime Minister's Department, the Department of the Interior and the Department of Works.

Electoral system

15. There are no elected offices in the Territory.

Judiciary

16. The courts exercising jurisdiction in the Territory are the Supreme Court, the District Court, the Magistrate's Court and the Coroner's Court. The Supreme Court consists of a judge who visits the Territory and presides over sittings as and when required. It is a superior court of record and appeals against its judgement may be taken to the High Court of Australia.

Political parties

17. No information is available concerning political parties.

Economic conditions

18. The islands consist of coral and limitations of the soil and fresh water supplies impede the development of agriculture. Small quantities of vegetables are grown on Home Island. However, all supplies of fresh fruit and vegetables for the other two inhabited islands must be imported mainly from Australia and Singapore. Large numbers of fish are caught in the lagoon for local consumption.
19. The economy of the Territory is based on the aviation and other facilities maintained by the Australian Government and commercial organizations, and on the production and export of copra, which forms the staple local industry. Exports of copra during 1964-65 were 654 tons, compared with 495 in 1961-62. The Clunies-Ross Estate is currently interested in the oil-producing possibilities of the dill and anise plants.
20. Expenditure on administration and on capital works and services is financed from moneys appropriated by the Commonwealth Government and controlled by the various Commonwealth departments represented in the Territory. Some revenue is derived from messing charges and from other sources such as hospital and medical fees which, in 1964-65, amounted to £A4,358, compared with £A3,624 in 1963-64. Expenditures for 1964-65 totalled £A47,041, compared with £A41,787 for 1963-64.
21. Land. Under the indenture granted in 1886, all land in the Territory above the high water mark is held in perpetuity by the Clunies-Ross family. The grant was made subject to conditions allowing Her Majesty to resume any of the land for public purposes without compensation other than for the value of cultivated crops or buildings or other work on the land resumed; to provide for the establishment of a telegraph station; and to prevent alienation of land to other persons without assent of the Crown.

Transport and communications

22. An international airport with full radio facilities is established on West Island under the control of the Commonwealth Department of Civil Aviation. There is no wharf in the Territory where ships can berth. Most of the roads are essential for airport purposes and receive priority in maintenance over the few other roads which are primarily community roads. There is a telegraph station, operated and staffed by the Overseas Telecommunications Commission (Australia) on Direction Island.

Social conditions

23. Labour. The copra industry operated by the Clunies-Ross Estate provides the main source of employment for Cocos Islanders. The Estate provides housing, rations, medical services, clothing subsidies and pension benefits for its workers, in addition to a cash wage. Social services comprise pensions in excess of 50 per cent of wages for workers who have reached sixty-five years of age, and free health services and education.

24. Public health. A medical officer and two nursing sisters, provided by the Department of Territories, are responsible for public health matters in general. A four-bed hospital is equipped to handle most surgical and medical emergencies. Dental treatment is provided by a visiting dentist of the Australian Department of Health. There was one such visit during the year under review.

Educational conditions

25. There is a primary school on West Island which follows the Eastern Australian syllabus. The Western Australian Department of Education provides teachers and undertakes an annual inspection. The costs of education are met by the Department of Territories.

26. Pupils wishing to proceed to secondary studies may undertake correspondence courses under the supervision of the headmaster of the West Island School, or they may attend schools in Australia. The parents of pupils sent to Australia for secondary studies are assisted by an education allowance of £145 a year for each pupil. The allowance is paid by the Department of Territories, which also provides one return air fare each year to the capital city of the Australian state in which the child is placed at school. The cost of correspondence tuition (other than the cost of textbooks) for secondary studies undertaken by children of residents of the Territory is paid by the Department of Territories.

27. At the close of the year under review, thirty-five primary pupils and four pupils following correspondence secondary courses were in attendance at the West Island School. In addition, one pupil was attending secondary school in Australia.

28. Elementary education provided by the Clunies-Ross Estate for the children of its employees comprises two to three years' schooling in the vernacular (Malay). Trade training, suited to the local conditions is provided in such pursuits as boat-building, carpentry and mechanics.

B. TRUST TERRITORY OF NAURU^{4/}General

29. The Trust Territory of Nauru is a small island situated in the Central Pacific, in latitude 0° 32' south, and longitude 166° 55' east. It is roughly oval shaped, approximately 8-1/4 square miles in area and is about 12 miles in circumference. Completely surrounding the island is a coral reef which is exposed at low tide. It comprises an area of 5,263 acres, of which roughly two-thirds, i.e., 3,658 acres, are classified as phosphate bearing; a further area of 585 acres, classified as rocky land, is estimated to contain approximately one million tons of phosphate. Since the discovery of the deposits 1,453 acres have been mined and 37,403,991 tons of phosphate raised.

30. The total population of Nauru at 30 June 1966 was 6,048, comprising 2,921 Nauruans, 1,532 other Pacific Islanders, 1,167 Chinese and 428 Europeans. The total immigrant population at 30 June 1966 was 3,127 compared with 2,827 at 30 June 1965.

Political and constitutional proposals

31. At the conclusion of the discussions held in Canberra in June 1967 on the future of the phosphate industry, the question of the political advancement of the Territory was considered. During the discussions, the Nauruan representatives presented a statement describing their proposals for political and constitutional changes in Nauru.

32. The Nauruan statement sought agreement that Nauru should become an independent State on 31 January 1968, set out certain matters on which decisions would have to be made, and expressed "a tentative opinion as to the form these decisions might take". The statement proposed, inter alia, that Nauru should become a republic,

^{4/} The information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information concerning Nauru before the Trusteeship Council at its thirty-fourth session, in particular the report of the Administering Authority for the period 1 July 1965 to 30 June 1966 transmitted under Article 88 of the Charter (T/1659).

to be known as the Republic of Nauru, and that its form of government should be based on the British parliamentary system, but modified in certain ways to suit local circumstances. A constitution would provide for fundamental rights, a president, an executive, a legislature, a judiciary and a public service. The president, who would be elected by the Legislative Assembly, would perform the formal duties of a Head of State and also be the head of the executive government. The constitution would also provide for the vesting of executive power in the president and a cabinet of ministers. The role envisaged for the president in the executive government would be a dual one. He would perform certain formal acts, such as assenting to orders and regulations made by the cabinet or a minister in accordance with the powers delegated to them by law. He would also be the chief minister, selecting other ministers and presiding over meetings of the cabinet. The other ministers would be selected from members of the Legislative Assembly. The Nauruan statement mentioned that the dual position proposed for the president in the executive government presented some difficulties, but added that in view of the small size of Nauru it did not seem desirable to create two separate offices of president and premier respectively. The statement also considered in some detail the proposed legislative assembly, the judiciary and the public service. The Nauruan statement in regard to the judiciary expressed the hope that appeals from the Supreme Court of Nauru should lie to the High Court of Australia.

33. The statement emphasized that the proposals outlined did not represent the final conclusions of the Nauruan delegations or of the Nauruan people, but were submitted to demonstrate that the Nauruans had already given considerable thought to the way in which Nauru might be governed as an independent State, and to show that a solution of the constitutional problems of Nauruan independence was, in broad outline, at least, within sight.

34. The representatives of the Administering Authority, during the conference in Canberra, pointed out that a number of the proposals would require further clarification and examination. They submitted for the consideration of the Nauruan delegation some comments on proposals for constitutional changes for Nauru.

35. Among other things, the Administering Authority had agreed that it was appropriate that basic changes should be made in arrangements for the Government of Nauru, and expressed a sympathetic attitude in connexion with the Nauruans' wish to

realize their political ambition by 31 January 1968. They also pointed out that, particularly in relation to external affairs and defence, there were special factors to be considered: that other smaller countries of the world had sought their political future in an association of legal form with a larger country of greater resources under which the larger country was responsible for such matters as external affairs and defence.

36. The representatives of the Administering Authority accordingly suggested that the Nauruans might consider an association with Australia under which an act passed by the Australian Parliament would provide for Australia to be responsible for the external affairs and defence of Nauru, but otherwise would leave the constitutional arrangements to be determined by the Nauruan people, as a suitable arrangement in the particular circumstances of both Nauru and Australia. Such an association would give Nauru full autonomy in internal affairs of government, and there would be no question of the Australian Government being involved in those matters, except to render assistance specifically requested by the Government of Nauru. They stated that an association of this kind would provide, inter alia, the ready means whereby the Nauruan Government could receive many benefits including those of international agreements designed to facilitate communications, provide common standards of safety, regulate services, etc., on an international basis, and that it would enable the Australian Government, if this were the wish of the Nauruans, to make arrangements for United Nations technical assistance services; Nauruan citizens travelling abroad would also be afforded assistance by Australian missions overseas which would automatically be able to render many other forms of assistance to the Nauruan Government and people. In regard to defence, an association of the kind suggested would place an obligation on Australia to defend Nauru. Under such an association, the suggestion of the Nauruan delegation that the final appeal from the proposed Nauru Supreme Court should be to the High Court of Australia could more readily be that and there would be no difficulty in the way of admitting the Nauruan people to Australia for all purposes, including their permanent residence there if so required.

37. Following further discussion between the Nauruan representatives and the representatives of the Administering Authority, possible alternative arrangements for constitutional advancement were presented by the Administering Authority for

discussion. These proposals considered the possibility that Nauru be accorded full independence and make a treaty of friendship with Australia under which responsibilities for the foreign affairs and defence of Nauru would devolve upon Australia. Such arrangements might meet some of the special problems which arose from a desire for independence by a people whose numbers, by comparison with the population of any other country, were extremely small. The devolution on Australia of responsibility for a defence and foreign affairs would not impose any limitation upon the powers and scope of the Government of Nauru in respect of Nauruan affairs in any other field whatever, and would have no effect on the powers of the Nauruan Government to make arrangements, for example, in regard to external trade and the disposal of phosphate.

38. In the single day available for discussions on political advancement, a firm decision could not be reached and it was agreed that discussions on political advancement be resumed at the earliest practicable date, and as early as possible after the conclusion of the thirty-fourth session of the Trusteeship Council.

39. At the thirty-fourth session of the Trusteeship Council, the Head Chief of Nauru stated in regard to the proposal of the Administering Authority, that there should be a treaty in which legal control over the matters of external affairs and defence should continue to be exercised by the Australian Government, that the Nauruans would prefer that their achievement of independence should not be conditional upon agreement in advance with Australia on these two questions.

Mutually acceptable arrangements in regard to these two aspects could be worked out between the Nauruans and Australia after Nauru had gained full sovereign independence. He stressed that the Nauruan delegation understood that Australia did not object strongly to this view, but would prefer rather that the questions be decided by plebiscite of the Nauruan people on Nauru.

40. The Nauruan delegation to the Canberra Conference did not think that a plebiscite was necessary. This thinking was not based on any fear that a plebiscite would reveal a Nauruan decision contrary to what the Nauru Local Government Council was presently pursuing. He also emphasized that the time factor was involved because by the time the delegation of the Nauru Local Government Council arrived in Australia to resume the adjourned talks on independence and to finalize necessary aspects of the agreement on the future of the phosphate industry, and

by the time councillors would return to Nauru, there would be very limited time left between then and the target date of 31 January 1968. Moreover, in this already limited time, a general election was forthcoming on Nauru in December 1967 for the Nauru Local Government Council.

Nauru Phosphate Agreement

41. In April 1967 discussions between representatives of the Nauru Local Government Council and officials representing Australia, New Zealand and the United Kingdom of Great Britain and Northern Ireland concerning arrangements for the future operation of the phosphate industry on Nauru were concluded. These are to be drawn up in a definitive agreement later in 1967 and appropriate action is to be taken in due course to effect the necessary legislative changes.

42. The agreed arrangements provide that:

(a) The Nauru Local Government Council (or its successor in any changed constitutional situation) will on consummation of the arrangements become the owner of the phosphate enterprise at Nauru and will take over its entire control and management.

(b) The partner Governments, through the British Phosphate Commissioners, will purchase the entire output of phosphate from Nauru at a stated rate of production and at a price that is determined under machinery laid down in the Agreement. The Nauru Local Government Council will receive the total sale proceeds and will meet the costs of operation of the industry at Nauru together with the costs of administration at the island.

(c) A Nauru Phosphate Corporation is to be established by the Nauru Local Government Council. This Corporation will, until 30 June 1970, have certain specific consultative and policy control functions in relation to the phosphate industry and after 30 June 1970 it will undertake the complete control and management of the phosphate operations at Nauru. The British Phosphate Commissioners will manage and supervise the operations until 30 June 1970.

Rehabilitation of the mined phosphate lands on Nauru

43. In 1965 the Nauruans reaffirmed their desire to remain on Nauru and not seek another home, and requested the Administering Authority to assume responsibility

for the restoration of the mined areas at no cost to the Nauruans. The Australian Government was not able to commit the other partner Governments to rehabilitation proposals, but it was agreed to establish a technical Committee of Experts, mutually acceptable to the Nauru Local Government Council and the Administering Authority, to investigate the possibility of the rehabilitation of the mined areas. In June 1966, the Committee submitted its report to the Nauru Legislative Council and the Administering Authority.

44. In its report the Committee of Experts concluded:

(a) That while it would be technically feasible (within the narrow definition of that expression) to refill the mined phosphate areas of Nauru with suitable soil and/or other materials from external sources, the very many practical considerations involved ruled out such an undertaking as impracticable;

(b) That it would, nevertheless, be practicable to undertake certain treatment of the mined areas, or parts of them, which would effectively induce a more attractive environment and would provide lands which would be suitable for habitation or other public purposes, including limited cultivation;

(c) That any proposals for the Nauruans to continue to live on Nauru after the exhaustion of the phosphate deposits must include provision for an adequate water supply and facilities for outside communication and trade;

(d) That the most effective use of large sections of the mined areas would be to use them for the construction, as a single project, of a water storage system and an airstrip;

(e) That while it would be impracticable to completely restore the mined areas to provide an agricultural economy for the Nauruans, it would be valuable to revegetate some of them and to treat other limited areas for the growing of trees, vegetables, etc.;

(f) That a system of land-use planning for the island is most desirable and would probably lead subsequently to the development of additional usable land which would become available as a result of the rehabilitation proposals.

45. In the various sections of its report the Committee of Experts discussed in detail the considerations, financial and practical, which gave rise to its conclusions, and gave its assessment of the effectiveness of the various suggestions that had been made, together with estimates of the costs involved.

46. The Trusteeship Council was informed at its thirty-fourth session that the Nauru Local Government Council, though agreeing with some of the findings of the Committee of Experts, could not, in general, accept its conclusions. The views of the Nauru Local Government Council are set out in the report of the Trusteeship Council.^{5/}

Legislative and executive organs

47. The Legislative Council of Nauru has nine elected members and five official members appointed by the Governor-General. It may make ordinances for the peace, order and good government of the Territory, except ordinances dealing with defence, external affairs, the phosphate industry, phosphate royalties and the ownership and control of phosphate-bearing land. Ordinances on these matters may be made by the Governor-General of Australia. Ordinances passed by the Legislative Council are presented to the Administrator for his assent, which may be granted, withheld or reserved for the Governor-General's consideration.

48. The Executive Council consists of the Administrator, two elected members and two official members of the Legislative Council appointed by the Governor-General. The Executive Council advises the Administrator on any matter referred to it by the latter.

Economic conditions

49. Phosphate is the sole export of the Territory. The British Phosphate Commissioners are responsible for the direction and management of the phosphate industry, including the extraction and export of phosphate.

50. The tonnage of phosphate delivered for the year ended 30 June 1966 amounted to 1,528,295 tons compared with 1,688,998 tons for the year ended 30 June 1965; the value for the year ended 30 June 1966 amounted to \$A8,634,867 compared with \$A9,542,838 for the year ended 30 June 1965. Of the 1,532,650 tons exported from Nauru, 818,800 tons were shipped to Australia, 516,650 to New Zealand and 197,200 to the United Kingdom.

^{5/} Official Records of the General Assembly, Twenty-second Session, Supplement No. 4 (A/6704), para. 385.

51. The total imports, chiefly from Australia, amounted to \$A6,366,248 in 1965-1966 compared with \$A4,595,798 in 1964-1965.
52. Public revenue for the year 1965-1966 totalled \$A1,940,704 of which the British Phosphate Commissioners provided \$A1,724,272. The total expenditure was \$A1,778,214.
53. At 1 January 1965 the phosphate royalties were increased from \$A1.35 (13s.6d.) to \$A1.75 (17s.6d.). During recent talks in Canberra it was agreed to increase further the royalties by \$A2.75 per ton.

Report of the Trusteeship Council in 1967

54. The Trusteeship Council, at its thirty-fourth session in June 1967, completed its examination of the annual report of the Administering Authority on Nauru for the period 1 July 1965 to 30 June 1966 (T/1659 and T/1652).
55. In a letter dated 30 June 1967 (A/AC.109/255) the President of the Trusteeship Council informed the Chairman of the Special Committee that the Council had adopted a report on the Trust Territory of Nauru for submission to the General Assembly (A/6704). The report contains, in addition to the Trusteeship Council's conclusions and recommendations and the observations of the individual members, detailed information on political, economic, social and educational conditions.

C. PAPUA AND THE TRUST TERRITORY OF NEW GUINEA^{6/}

General

56. Papua and the Trust Territory of New Guinea consist of that portion of the main island of New Guinea east of the 141 meridian of longitude and a large number of adjacent islands. The two Territories have a total area of approximately

^{6/} The information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information on Papua transmitted to the Secretary-General by Australia under Article 73 e of the Charter on 19 July 1967 for the year ending 30 June 1966, and the information concerning the Trust Territory of New Guinea before the Trusteeship Council at its thirty-fourth session, in particular the report of the Administering Authority for the period 1 July 1965 to 30 June 1966 transmitted under Article 88 of the Charter (T/1960 and Add.1).

178,260 square miles (286,882 square kilometres). At 30 June 1966 they had an enumerated indigenous population of 2,170,201 and a further estimated population of approximately 25,000.

Political and constitutional developments

57. Papua and the Trust Territory are administered jointly by an Administrator appointed by the Governor-General of Australia. He is assisted by an Administrator's Council which consists of the Administrator, three official members and seven elected members of the House of Assembly who are appointed by the Minister of State for External Affairs on the nomination of the Administrator.

58. The legislature for the combined Territories, the House of Assembly, consists of fifty-four members elected on a common roll by adult suffrage, and ten nominated official members. Forty-four of the elective seats are open to candidates of all races, and ten are special seats reserved for non-indigenous candidates. The Administrator must ensure that general elections are held at intervals not exceeding four years.

59. The House of Assembly is empowered to make ordinances for the peace, order and good government of the Territory, but an ordinance does not have any force or effect until it has been assented to by the Administrator or, in certain cases, the Governor-General.

60. Every ordinance passed by the House of Assembly is presented to the Administrator for his assent. He may give his assent to an ordinance, withhold assent, or reserve the ordinance for the Governor-General's pleasure. Certain classes of ordinances set out in section 55 of the Papua and New Guinea Act must be reserved by the Administrator for the Governor-General's pleasure. The

Administrator may return ordinances to the House of Assembly with recommended amendments, which the House then considers, and the ordinance, with or without the amendment, is again presented to the Administrator for assent.

61. The Governor-General must declare within six months after he assents to an ordinance reserved for his pleasure or that he withholds assent. He also may return an ordinance to the Administrator with recommended amendments, which is then considered by the House, and with or without the recommended amendments is again reserved for the Governor-General's pleasure.

62. The Governor-General may, within six months of the Administrator's dissent, disallow an ordinance or part of an ordinance or may recommend amendments.

63. Ordinances passed by the House do not have any force or effect until they are assented to by the Administrator, or in certain cases the Governor-General. Each ordinance to which assent has been given or withheld is laid before each House of the Australian Parliament and where assent is withheld or where an ordinance is disallowed, the Minister for Territories must, in addition, cause a statement of the reasons for withholding assent or disallowance as the case may be, to be laid before each House.

64. A vote, resolution or proposed law for the appropriation of revenue or moneys may not be passed by the House of Assembly unless the purpose of the appropriation has in the same session been recommended by message by the Administrator.

65. At its thirty-fourth session the Trusteeship Council was informed that the second interim report of the Select Committee on Constitutional Development, which was set up by the House of Assembly in 1965, had been adopted by the House in 1966. Subsequently, amendments to the Papua and New Guinea Act to give effect to the recommendations in the report were made by the Commonwealth Parliament. All the recommendations were accepted. Under the new constitutional arrangements the number of open electorates has been increased from forty-four to sixty-nine; the ten special electorates which were reserved for non-indigenous candidates

have been replaced by fifteen regional electorates which have an educational qualification consisting of the Territory's intermediate certificate or its equivalent. The ten official members of the House of Assembly have been retained in accordance with the wishes of the people. The new electorates will come into practical operation with the March 1968 elections after which there will be ninety-four members in the House of Assembly.

66. The Select Committee on Constitutional Development was to present its final report to the House of Assembly in June 1967. This part of its report relates to the executive arm of the Government of the Territory and to what changes, if any, should be made to enable greater local participation in the Government.

67. The election of members of the House of Assembly is by secret ballot and by universal adult suffrage of all persons over 18 years of age from a common roll. General elections must be held at intervals not exceeding four years. The next election will be held in 1968.

68. In its report on the Trust Territory of New Guinea to the Trusteeship Council for the year ending 30 June 1966, the administering Power stated that resolutions of the General Assembly regarding New Guinea, including resolutions 1514 (XV) and 2112 (XX), had been noted by the Administering Authority and that the measures which had been taken in order to implement these resolutions were described in its report.

69. The administering Power went on to reiterate a statement made in the Australian Parliament on 31 March 1966 by the Minister for Territories when informing the House of Representatives that he had invited the Select Committee on Constitutional Development appointed by the House of Assembly for Papua and New Guinea to come to Canberra for discussions with members of the Government. The Minister said that: "The Government has no desire to press constitutional changes upon the people of the Territory which they do not want or for which they think are not ready: nor will the Government refuse to make changes if there is strong and widespread support for change in the Territory. This is the Government's attitude to the possibility of changes affecting the House of Assembly which the Select Committee referred to in its report, and it applies also to possible changes in the form of executive Government, i.e., in the arrangements for the Administration of the Territory to operate after the next elections for the House of Assembly."

70. In 1965 legislation came into operation which enabled non-indigenous persons to participate in local government through the establishment of councils with multiracial electorates and, by 30 June 1966, a total of fifty-four councils had been formed. The total number of local government councils at this time had increased to 125, compared with 109 the previous year, and covered an approximate population of 1,488,299 persons.

Economic conditions

71. Primary production is the basis of the economy of both Papua and the Trust Territory of New Guinea. Agriculture is the chief activity. In 1965-1966, agricultural products made up approximately 87 per cent of the total value of exports of Papua and 85 per cent of the Trust Territory's exports.

72. The principal agricultural exports of New Guinea are copra, cacao and coffee. Although the principal exports of Papua are copra and rubber, more cacao and coffee are also being exported. New Guinea has extensive forest resources and an important timber industry is being developed. Gold mining, although now declining, is still an important activity there. The mineral resources of Papua have not been fully explored; the administering Power stated that it was not possible to estimate the time required to complete the project.

73. A cattle industry is being developed. New Guinea, where increasing numbers of the indigenous people are raising livestock, had 34,913 head of cattle. Papua, which had almost 9,800 head, is still almost entirely dependent on imports for meat and animal products. The administering Power's policy is to improve the quality of stock, build up numbers and extend cattle ownership to the indigenous inhabitants.

74. Manufacturing industries are of minor though growing significance. Special taxation concessions exist to encourage the establishment of new secondary and service industries, and complete exemption from Territory income tax may be granted to companies engaging in approved new pioneer industries for their first five to six years of operation.

75. Although subsistence agriculture is still the predominant activity of the indigenous population, increasing numbers of Papuans and New Guineans are growing export crops or cash crops for local sale. During 1965-1966, indigenous growers

produced approximately half the copra and three quarters of the coffee grown in Papua, while their plantings of cacao trees totalled 988,700. In New Guinea, indigenous growers produced over one quarter of the copra, one quarter of the cacao beans and slightly under two thirds of the coffee. They also produced about 18,000 tons of fruit and vegetables for town markets.

76. During 1965-1966, the total value of exports of the Territories was \$A49,829,585,^{7/} compared with \$A49,140,462 the previous year. Imports had a total value of \$A110,431,203, compared with \$A86,346,022 the previous year.

77. The following table shows the public finances of the Territories:

(million Australian dollars)

	<u>1964-1965</u>			<u>1965-1966</u>		
	<u>Papua</u>	<u>New Guinea</u>	<u>Total</u>	<u>Papua</u>	<u>New Guinea</u>	<u>Total</u>
Internal revenue	13.02	14.90	27.92	16.86	18.45	35.31
Australian grant	22.12	33.86	55.98	23.82	38.17	61.99
Total revenue	35.14	48.76	83.90	40.68	56.62	97.30
Total expenditure	37.38	52.68	90.06	43.27	60.30	103.57

78. The revenues of Papua and New Guinea are supplemented by a direct, interest-free and non-repayable grant from the administering Power. The grant for 1965-1966 was \$A61,999,743. Revenues raised in the Territories are derived chiefly from import tariffs and direct taxation. Expenditure on economic activity rose from approximately 25 per cent in 1963-1964 to approximately 33 per cent in the 1965-1966 budget. In addition to the direct grant, the administering Power, through government departments and instrumentalities not directly responsible to the territorial Administration, spent in 1965-1966 \$A33.7 million on essential works and services in Papua and New Guinea.

79. During 1965-1966, 120 companies having a total nominal capital of \$A13,073,000 were incorporated as local companies, bringing the total number of local companies to 997 operating with an aggregate nominal capital of \$A254,817,772. Thirty-two foreign companies were registered, bringing the total number of foreign companies operating in the Territories to 204. No information is available on dividends and taxes paid in 1965-1966 by the companies active in the Territories.

^{7/} The Administering Authority changed to a decimal monetary system on 14 February 1966. A new \$A1.00 is equivalent to ten shillings in the old currency (Australian pound) or \$US1.12.

80. The administering Power informed the Trusteeship Council at its thirty-fourth session that another mission of the International Bank for Reconstruction and Development (IBRD) visited the Territory in March 1967 to examine current developments there and to discuss with the administering Power a number of proposed development projects, some of which might qualify for loans from the Bank or its affiliate, the International Development Association.

Social conditions in Papua

81. Labour. The administering Power states that although there have been steady increases in the numbers of indigenous people engaged in wage employment in recent years, the proportion of wage earners to the estimated adult male population is still relatively small (approximately over one fifth). While large numbers of the Territory's labour force are still engaged in unskilled work on plantations or in towns, there is emerging a body of more highly skilled and experienced workers who are capable to a much greater extent than previously of negotiating their own wages and conditions of employment. Unemployment is not a major problem in the Territory. Such unemployment as occurs is mainly of a temporary nature as a result of voluntary changes of employment or reluctance to accept work in rural areas.

82. At 31 March 1966 there were 32,517 indigenous people in paid employment (including 1,016 members of the police force but excluding members of the defence forces), compared with 20,234 at 31 March 1965. Private industry employed 22,172 of whom 9,386 were general plantation workers.

83. At 30 June 1966 the Department of Labour had a field strength in Papua of three employment officers and five labour inspectors. Labour inspectors' regional workshops were held at Goroka and Rabaul and were attended by officers from Papua.

A Research and Planning Branch was formed in the Department of Labour in February 1966. It is responsible for advising on all labour aspects of economic development and planning. The Branch carried out an income and expenditure survey covering a random sample of indigenous officers of the Territory Public Service on the normal commencing salary range over a two-month period in 1966.

84. Public health. Expenditure on health services totalled \$A3,385,561 in 1965-1966, compared with \$A2,996,710 in 1964-1965; expenditure on works and services of a capital nature and on the improvement and maintenance of hospital buildings and facilities amounted to \$A1,514,635 compared with \$A1,419,400 in

1964-1965. Local government councils reported an expenditure on health services of \$A55,027 from 1 January 1965 to 30 June 1966, compared with \$A4,418 for the period 1964-1965.

85. Church missions are assisted in providing health services by the Administration through a system of grants-in-aid and by the supply of drugs, dressings and equipment. Grants-in-aid for mission hospital buildings totalled \$A11,334 in 1965-1966, compared with \$A31,220 the previous year. The ascertainable expenditure by missions from their own funds on medical services was \$A159,488 in 1965-1966 compared with \$A90,012 the previous year.

86. As of June 1966, there were thirty-four administration hospitals, including two hospitals of bush materials in the Southern Highlands, and 332 administration aid posts in the Territory. Maternal and child health services were carried out by eleven administration field clinic centres, including one rural health centre with 153 clinics serving 321 villages. Missions operated 142 clinics serving 1,088 villages; 60 of their stations submit regular reports to the Administration.

87. Malaria and tuberculosis continue to be major health problems in the Territory. As a result of the anti-malaria campaign carried out by the Administration, at the end of June 1966, all islands of the Milne Bay District as well as the coastal mainland strip opposite Goodenough and Normanby Islands were under protection.

Educational conditions in Papua

88. At 30 June 1966 there were 171 administration schools and 686 mission schools, compared with 171 and 668 the previous year. The number of pupils enrolled in these schools increased from 71,506 to 76,576. The following table gives the number of pupils in the various schools in 1966.

<u>School</u>	<u>Indigenous pupils</u>	<u>Non-indigenous pupils</u>
Primary	69,464	1,757
High	3,584	216
Technical	1,177	-
Teacher-training	<u>378</u>	<u>-</u>
Total	74,603	1,973

89. In addition to pupils in Papua, in 1966, 50 indigenous and 605 non-indigenous students were receiving educational assistance at Australian secondary schools. Of the thirteen Papuan students who were undertaking higher education in Australia, twelve were at university and one at a technical college.

90. Departmental expenditure on education rose from \$A3,852,000 in 1964-1965 to \$A4,551,000 in 1965-1966, representing 10.5 per cent of total government expenditure. These figures include grants-in-aid totalling \$A415,000 to missions for educational work, compared with \$A342,000 the previous year. Over the same period, expenditure of other departments on education and training declined from \$A984,000 to \$A558,000; building construction and equipment expenditures declined from \$A648,000 to \$A630,000. Expenditure by missions from their own funds increased from \$A522,000 in 1964-1965 to \$A625,000 in 1965-1966.

Report of the Trusteeship Council in 1967 on New Guinea

91. The Trusteeship Council, at its thirty-fourth session in June 1967, completed its examination of the annual report of the Administering Authority on the Trust Territory of New Guinea for the period 1 July 1965 to 30 June 1966 (T/1960 and Add.1).

92. In a letter dated 30 June 1967 (A/AC.109/255) the President of the Trusteeship Council informed the Chairman of the Special Committee that the Council had adopted a report on the Trust Territory of New Guinea for submission to the General Assembly (A/6704). The report contains, in addition to the Council's recommendations and conclusions, and the observations of its individual members, detailed information on political, economic, social and educational conditions in the Trust Territory and on institutions common to the two Territories.

III. CONSIDERATION BY THE SPECIAL COMMITTEE

93. At its 562nd and 564th meetings, on 22 and 27 September, the Special Committee considered the report of Sub-Committee II on the Cocos (Keeling) Islands, the Trust Territory of Nauru, Papua and the Trust Territory of New Guinea which appears as an annex to this chapter.

94. The representatives of the United Kingdom of Great Britain and Northern Ireland, the United States of America and Australia expressed reservations on the conclusions and recommendations of the Sub-Committee's report on the Territories under consideration.

95. The representative of the Union of Soviet Socialist Republics said that he wished to propose the following amendments to the conclusions and recommendations contained in the report. They consisted of the insertion of the following two new paragraphs after paragraphs 71 and 81 respectively:

A. "The Sub-Committee notes that General Assembly resolution 2227 (XXI) has not been implemented by the administering Power."

B. "The Sub-Committee calls on the administering Power to take immediate steps for implementing the provisions of General Assembly resolutions 2105 (XX), 2189 (XXI) and 2227 (XXI), which request the colonial Powers to dismantle their military bases and installations in colonial Territories and to refrain from establishing new ones and also from utilizing the Territories for military activities incompatible with the Charter of the United Nations."

He stated, however, that it would be sufficient if the proposed amendments, as well as the opinions expressed by his delegation, were included in the records.

96. The representative of Bulgaria said that in future emphasis should be placed on the need to implement General Assembly resolutions concerning decolonization - 2105 (XX), 2189 (XXI) and 2227 (XXI) - particularly those provisions which called upon the administering Power to dismantle the military bases in colonial Territories and to refrain from establishing new ones. The existence of such bases undeniably impeded the implementation of the General Assembly resolutions.

97. The representative of Australia remarked that the allegations contained in the amendments proposed by the representative of the USSR were completely unfounded. The military activities to which amendment B alluded were in no way incompatible

with the Charter of the United Nations since their sole purpose was to ensure the defence of the Territory, a purpose which was deemed acceptable by the United Nations. Article 4 of the Trusteeship Agreement for the Territory of New Guinea stated that "the Administering Authority shall be responsible for the peace, order, good government and defence of the Territory and for this purpose shall have the same powers of legislation, administration and jurisdiction in and over the Territory as if it were an integral part of Australia, and will be entitled to apply to the Territory, subject to such modifications as it deems desirable, such laws of the Commonwealth of Australia as it deems appropriate to the needs and conditions of the Territory". Furthermore, article 7 stated that "the Administering Authority may take all measures in the Territory which it considers desirable to provide for the defence of the Territory and for maintenance of international peace and security".

IV. ACTION TAKEN BY THE SPECIAL COMMITTEE ON THE REPORT OF SUB-COMMITTEE II

98. At its 564th meeting on 27 September 1967, the Special Committee approved the report of Sub-Committee II on the Cocos (Keeling) Islands, the Trust Territory of Nauru, Papua and the Trust Territory of New Guinea, and endorsed the conclusions and recommendations therein. These are as follows:

Conclusions

Cocos (Keeling) Islands

(1) The Special Committee considers that the progress towards the implementation of the Declaration contained in General Assembly resolution 1514 (XV) has been slow.

(2) The Cocos Islands have special problems of size and economic viability, but that should not preclude the administering Power from complying with the implementation of General Assembly resolution 1514 (XV).

Trust Territory of Nauru

(3) The Special Committee observes that the people of Nauru are steadfast in their declaration of becoming independent on 31 January 1968; it, however, awaits an assurance from the administering Power that the wishes of the people of Nauru will be respected.

(4) The Special Committee records the desire of the people to remain in Nauru and for the rehabilitation of their island; but notes the statement of the administering Power on the practical impracticability of rehabilitation.

(5) Though it is aware of the progress that has been made in the negotiation of ownership and control of the operation of the phosphate industry, the Special Committee hopes that the people of the Territory would obtain the maximum benefit from their sole and limited asset.

Papua and the Trust Territory of New Guinea

(6) The Special Committee considers that the progress towards the implementation of the Declaration contained in General Assembly resolution 1514 (XV) continues to be slow.

(7) The Special Committee, however, takes note of the political, social and educational growth in the Territory which constitute some advance though it considers it inadequate for a consistent and rapid implementation of the Declaration.

(8) The Special Committee observes that the economic potential of the Territory has still to be exploited. It considers that an exploitation of this potential for the benefit of the people of the Territory will relieve their dependence on the administering Power and enhance their movement towards self-determination and independence.

(9) The Special Committee notes that discrimination in education, the wage structure and other fields still exist in the Territory though the administering Power is making efforts to eradicate the problem.

Recommendations

Cocos (Keeling) Islands

- (1) The Special Committee reaffirms the inalienable rights of the people of the Territory to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV).
- (2) The peoples of the Territory should be enabled to express their wishes in accordance with the provisions of resolution 1514 (XV) through well-established democratic processes under United Nations supervision.
- (3) The Special Committee requests that the people of the Territory should be given an opportunity to express their wishes with regard to their future status and in this regard the administering Power should avail itself of the assistance which the United Nations could extend.

Trust Territory of Nauru

- (4) The Special Committee recommends that the wishes expressed by the people of Nauru of attaining independence on 31 January 1968 should be implemented by the administering Power in accordance with the provisions of General Assembly resolution 1514 (XV).
- (5) The Special Committee requests the administering Power to rehabilitate Nauru according to the expressed wish of the people so that they could continue to live there.

Papua and the Trust Territory of New Guinea

- (6) The Special Committee reaffirms the inalienable rights of all the peoples in these two Territories to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV).
- (7) The House of Assembly should be made a fully representative body with expanded functions in order to transfer power to the people of the Territory.
- (8) The Special Committee feels that the efforts in the economic and educational fields should continue at a more rapid rate to enable the peoples of the Territories to direct their own affairs and take over the administration of their territory.

(9) The Local Government Councils should continue to be strengthened in order that the people could exercise self-government in municipal affairs.

(10) Existing discrimination in the Territory, whether in education, wages or other areas, should be eliminated as quickly as possible.

Cocos (Keeling) Islands, Trust Territory of Nauru,
Papua and the Trust Territory of New Guinea

(11) The Special Committee reiterates its belief that a visiting mission to the Territories is necessary and would be most useful in assessing the political climate and aspirations of the peoples. Steps may be taken to arrange such a visit in consultation with the administering Power.

ANNEX*

REPORT OF SUB-COMMITTEE II ON THE COCOS (KEELING) ISLANDS, THE TRUST TERRITORY OF NAURU, PAFUA AND THE TRUST TERRITORY OF NEW GUINEA

Consideration by the Sub-Committee

1. The Sub-Committee considered Cocos (Keeling) Islands, the Trust Territory of Nauru, Papua and the Trust Territory of New Guinea at its 66th to 69th meetings held from 23 August to 7 September 1967.
2. The Sub-Committee had before it the working papers prepared by the Secretariat (see paras. 1-92 of the present chapter).
3. The representative of Australia reminded the Sub-Committee that the Trusteeship Council had recently held a thorough discussion of the situation in the Trust Territories of Nauru and New Guinea. All the documentation prepared for the Council was available to members of the Sub-Committee, who should take due note of its contents.
4. The Cocos (Keeling) Islands, whose total area was only five-and-a-half square miles, had at present about 470 inhabitants. A large part of the population had emigrated to Borneo and Malaysia at the end of the Second World War for economic reasons. Those who had remained continued to exercise their right of self-determination within the context of their customs, traditions and religion. The Australian Government had undertaken to interfere as little as possible in such practices. Health services were provided by the Australian Government.

* Previously issued under the symbol A/AC.109./L.395/Add.6.

Apart from a civil airport, the islands' only economic activities were coconut-growing, fishing and ship-building. Because of their small size, their limited resources and the constant need to provide for the emigration and resettlement of their surplus population, the islands remained dependent on the support and assistance of a larger country.

5. The Trust Territory of Nauru was administered by Australia on behalf of the joint Administering Authority, consisting of the Governments of Australia, New Zealand and the United Kingdom. It was a small island, as limited in area and population as the Cocos (Keeling) Islands, but had the advantage of possessing an important economic asset, phosphate, which gave the Nauruans the highest per capita income in the world. Unfortunately, the deposits were gradually being exhausted. Since Nauru had hardly any arable land and the rainfall was unreliable, it would not be able to provide for its own needs once the phosphate was exhausted. At the request of the Nauruans, the Administering Authority had therefore tried to find an alternative island where the Nauruans could resettle. An exhaustive search had been carried out. Various offers, including an offer of a large island off the coast of Queensland had been made. At the last session of the Trusteeship Council the Nauruans had said that they had decided to remain on Nauru, despite the unfavourable report of the Committee of Experts set up in 1966 to inquire into the possibility of rehabilitating the worked-out land when the phosphate was exhausted. The report had conceded that although it would be technically feasible to refill the land, there were many practical considerations which made such an undertaking impracticable.

6. Since the Committee last discussed Nauru, negotiations on the future of the phosphate industry on Nauru and the Territory's political progress had continued. An agreement on the phosphate industry had been concluded in June 1967. Under the agreement, the Nauru Local Government Council, or its successor in the event of a constitutional reform, would become the owner of the enterprise and would assume full control and management of the industry. The partner Governments, through the British Phosphate Commissioners, would buy Nauru's entire output of phosphate at a price and rate of production which would be fixed in accordance with procedures laid down in the agreement and the Nauru Local Government Council would receive all the proceeds and meet the operating costs. The Nauru Local

Government Council was to set up a Nauru Phosphate Corporation, which would have certain specific consultative and policy control functions until 30 June 1970, when it would assume complete control and management of the phosphate operations at Nauru. The assets of the enterprise would be valued jointly at 1 July 1967 by representatives of the Nauruans and the British Phosphate Commissioners. The valuation would be based on the original and lower cost and was provisionally estimated at \$US22 million.

7. The agreement fixed Nauru's annual output at 2 million tons, at a price of \$12.80 per ton (f.o.b.), subject to adjustment in accordance with the price quoted for Florida phosphate, which was considered the world standard. The parties could request a review of the agreement with twelve months' notice. Since phosphate was the island's only economic resource, the partner Governments had decided to pay the net profits from the industry to the Nauruans. They would thus receive about \$US15.5 million per year as long as the deposits lasted. Under the new financial arrangement the Nauruans would receive \$21 million this coming financial year or \$40,000 for each family over its current earnings. Because of the extractive nature of the industry and because phosphate is the only economic asset, the partner Governments had agreed to give 100 per cent of the benefit of the phosphates to the Nauruans instead of only 50 per cent as was the usual practice in arrangements of this kind. If they invested the money properly, their future would be assured for many generations to come.

8. Since the negotiations on the phosphate industry had occupied much of the time and attention of the Nauruan leaders and the Administering Authority, discussions on the political future of the Nauruans had been limited, but they would be resumed in the immediate future. The Nauruan leaders had submitted a paper which proposed that Nauru would achieve independence on 31 January 1968 and become a Republic headed by a President who would combine the functions of Head of State and Head of Government. The executive power would be exercised by the President and a Council of Ministers chosen by him. The Nauruan paper had expressed the hope that the Australian High Court would serve as the court of appeal from decisions of the Supreme Court of Nauru. The Nauruans had stressed that their proposition was not final and they had sought the reactions of the partner Governments.

9. The partner Governments were examining those proposals with great care. The Administering Authority had shown a sympathetic attitude towards the Nauruan wishes to resolve their political ambitions. However, it had suggested that there might be advantage in an association with Australia under which a law adopted by the Australian Parliament would make Australia responsible for Nauru's external affairs and defence. The Australian Government would not intervene in any way in Nauruan internal affairs unless the future Nauruan Government expressly requested it. Such an association would give the Nauruan Government many advantages in the field of international affairs. It would make Australia responsible for defending Nauru, whose approximately 600 adult males could scarcely offer a credible defence against external aggression.
10. The Administering Authority had put forward an alternative whereby Nauru would become fully independent and conclude a treaty of friendship with Australia which would make the latter responsible for Nauru's foreign affairs and defence. This proposal was also under study.
11. In conclusion, he believed that the members of the Sub-Committee would agree that most of the major problems of Nauru had been resolved or were close to resolution and that the future of the Nauruans had been guaranteed to a large extent by the considerable financial benefits conferred upon them.
12. After referring to the tough geographical and climatic conditions prevailing in the Non-Self-Governing Territory of Papua and the Trust Territory of New Guinea and the meagreness of their natural resources, he pointed out that they were jointly administered by Australia with United Nations consent. They had a single Parliament, a single judicial system and a single administration.
13. Considerable progress had been made in education. The number of indigenous pupils attending primary schools had increased from 41,000 ten years earlier to 205,000 today; similarly, whereas there had been 1,500 pupils in secondary schools ten years earlier, now there were 12,000. A university, at which 168 students were registered, had been established, as had other institutions of higher learning, such as the Goroka Teacher Training College, the Administrative College, and the Vudal Agricultural College. Instruction at those schools was almost completely free of charge. Australia had obtained aid in that field from the United Nations Development Programme, which was paying some \$A1.3 million of the approximately

\$A4 million set aside for these projects, the rest being paid by the Administration. The specialized agencies and UNICEF were currently considering other forms of assistance to the Territories.

14. The public health situation was fairly good. A special effort was being made to eliminate malaria and tuberculosis by preventive measures. The hospital system was well developed, and public health expenditure had doubled during the past ten years, amounting today to about \$A11 million.

15. In the economic field, the Australian Government was endeavouring to develop production and trade in the Territories and to free them from dependence on Australia. During the past five years the Territories' exports had increased in value by 50 per cent. The quality of the products had also been raised, and harbour installations and airfields had been improved. A great deal of effort was being devoted to forestry and agriculture; in particular, the growing of tea and oil palms had been introduced. It was estimated that the Kieta copper deposits in the Solomon Islands would make it possible to double the Territories' export income within seven years. The Australian Government was trying to attract foreign capital but always guaranteed the indigenous inhabitants a considerable share in such investments. The Solomon Islands copper mining plan would provide many opportunities for the local population and would lead to the establishment of a port, roads, dams, a power station and a town. Australia had been accused in some quarters of unscrupulously exploiting the Territories. The simple answer to such a charge was to point out that in 1966 Australia had given the Territories \$A70 million, representing 58 per cent of their budget. During the current year the figure would be raised to \$A78 million. Such aid was freely given without strings and the people had been told it would continue as long as they wanted it. The Australian Government did not insist that the Territory should be economically viable or administratively self-sufficient at the time of self-determination. This requirement was set at the initiative of the Committee - not the Australian Government.

16. Progress had been made in the political field. The House of Assembly, which had met for the first time in June 1964, included fifty-four elected members and ten nominated official members. Thirty-eight of the elected members were indigenous. The House of Assembly had established a Select Committee on

Constitutional Development to determine what form of government the people wanted for the future. The Select Committee had an indigenous majority and an indigenous Chairman. As a result of its report at the 1968 elections, the membership of the House of Assembly would be increased to eighty-four, including ten official members. The ten seats reserved for Europeans would be eliminated and replaced by fifteen regional seats. A modest minimum level of education (intermediate certificate) would be required of candidates for those seats. They would thus be able to make a contribution to the debates of the House of Assembly, in accordance with the wishes of the Select Committee on Constitutional Development. The Chairman of the Select Committee had recently stated that most of the people wanted the members of the House of Assembly to take a larger part in the administration of the country in 1968 but did not want any radical changes. He said that the Select Committee had been concerned only with the views of the people and not with those of the Australian Government or the United Nations or any outside body.

17. A system of parliamentary Under-Secretaries had been established in 1964 to enable some of the elected members of the House of Assembly to gain political experience. The Under-Secretaries, who had previously concerned themselves primarily with local problems, now met each month with the Administrator to consider questions of general policy. Their opinions were taken into account in the formulation of policy. The Administrator was also assisted by a Council consisting of three nominated official members and seven elected members of the House of Assembly. Thus, the members of the House of Assembly were directly associated with the day-by-day work of administration.

18. The political future of the Territories depended in large measure on the development of the local government councils. There were at present 128 such councils and their decisions directly affected the people. Regional conferences of local government councils were held and their recommendations on local and national issues were passed to the Central Administration for consideration and action. They provided an excellent training ground for future politicians. The local government councils worked out independent self-help programmes and several of them had a budget of about \$A100,000.

19. While economic viability and availability of all the necessary administrative staff were not essential for the Territories to be able to decide their future, the Australian Government was convinced that they should have a firm economic base and an effective system of government. Australia was working to build the balanced institutions which would enable the Territories to set up their own democratic government. The Australian Government believed that the people of the Territories should themselves choose the time to achieve self-government or independence.

20. At its twenty-first session, the General Assembly had adopted resolution 2227 (XXI) concerning Papua and New Guinea. In that resolution, which his Government had considered a poor resolution, the General Assembly had called upon Australia to abolish all discriminatory practices in the economic, social, health and educational fields, to hold elections on the basis of universal adult suffrage with a view to transferring power to the people of the Territories and to fix an early date for independence. It had further called upon Australia to refrain from utilizing the Territories for military activities incompatible with the Charter of the United Nations. He wished to state that there were no discriminatory electoral qualifications in the Territories except the minimum requirement for election to the regional seats introduced by the Select Committee on Constitutional Development, a body which had a majority of indigenous members. There was, of course, some discrimination in the Territories, as in any multiracial society, but the Australian Government was making the strongest efforts to discourage such practices and it had outlawed discrimination by legislation years ago. The House of Assembly was also aware of the danger of discrimination not only between Europeans and Papuans and New Guineans but between New Guineans and Papuans, and even between certain tribes and had set up a sub-committee to examine the effectiveness of existing legislation. There was no justification whatever for suggesting, as the resolution did, that elections were not held on the basis of universal adult suffrage. Everyone over the age of 21 was registered on a common roll and had the right to vote. The date for independence was a matter to be decided by the people of the Territories. The people knew they could choose independence when they wished and the Select Committee on Constitutional Development had been told by the majority of the people that they did not want

independence yet. Lastly, Australia's military activities were in no way incompatible with the Charter and the Trusteeship Agreement. His delegation therefore categorically rejected that resolution, which was not in keeping with the facts.

21. The representative of Poland said that, as a starting point for its discussion, the Committee should try to ascertain what steps had been taken by the administering Power to implement General Assembly resolution 2227 (XXI). That resolution reflected the feelings of the international community with regard to its responsibility for the peoples remaining under colonial domination and contained specific recommendations for the implementation in the Territories concerned of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

22. His delegation had been disappointed to note the position adopted by the Australian representative. While declaring his country's adherence to the goals of the Declaration, the latter had rejected various practical methods proposed in resolution 2227 (XXI) for the purpose of attaining those goals. Both in the Trusteeship Council and in the Sub-Committee, the Australian representative had challenged the validity of the resolution on the ground that it was not in keeping with the facts. Yet, he had failed to supply the Sub-Committee with any specific information to show that his Government had taken steps to correct the situation in the Territories in question.

23. The paramount considerations in the current debate were the right of the people of Papua and New Guinea to self-determination and independence, in accordance with General Assembly resolution 1514 (XV), and the fixing of an early date for independence as recommended in operative paragraph 4 of resolution 2227 (XXI). That date had, of course, to be determined by the people concerned, and the administering Power had a duty to create conditions in which they could freely express their wishes in full awareness of the various choices open to them. His delegation would therefore expect the administering Power to take the time factor into consideration and to do its utmost to assist the inhabitants in developing their political institutions and economic and social environment and in acquiring the skills and education necessary for them to manage their own affairs at the earliest possible time.

24. The pace of development in the Territories was too slow, however accelerated it had been in the past few years, even considering the complex and difficult circumstances prevailing. After half a century of Australian administration, only two indigenous students had received a university education. Moreover, the Legislature for the combined Territories of Papua and New Guinea - the House of Assembly - was apparently in an embryonic stage without substantial power. The working paper prepared by the Secretariat showed that it was the Australian Parliament and not the House of Assembly of Papua and New Guinea which, in the final analysis, approved all legislation for the Territories. The new arrangements proposed by the Select Committee on Constitutional Development would not alter that situation for they did not make any provision for broadening the powers of the House of Assembly. Paragraph 14 of the Secretariat working paper contained a statement by the Australian Minister for Territories to the effect that his Government would not refuse to make changes if there was strong and widespread support for change in the Territory. The question arose as to what the administering Power regarded as constituting "strong and widespread support" and how the population would be consulted. It was clear that the House of Assembly had no power to make an ordinance concerning such changes. Furthermore, there were no political parties which could advocate changes in political status, thereby creating the necessary "strong and widespread" support for change. It was also relevant that the local Press had published a letter claiming that no one could express himself freely for fear that he would be reported to the Administration. In view of all those factors, the Committee might justifiably wonder how the administering Power intended to ascertain the wishes of the people. That was an important question; the administering Power had, on several occasions, argued that it was the will of the people not to attain independence at the present stage.

25. Resolution 2227 (XXI) also called upon the administering Power to abolish all discriminatory practices in the economic, social, health and educational fields. The administering Power had repeatedly denied that such discrimination existed, but it could not be denied that there was some "inequity" in the treatment of the indigenous people as compared with those described as expatriates. The Australian Administration had acquired some 3 per cent of the total available land,

allegedly to protect the indigenous landowners from exploitation by entrepreneurs. The loans granted to expatriates by the Ex-Servicemen's Credit Board were considerably larger than those granted to indigenous ex-servicemen. The latter were entitled to 15 to 20-acre plots of land, while expatriate servicemen received 400 to 500-acre plots. It had emerged during the debate in the Trusteeship Council that some 70 per cent of the land acquired by the Australian Government was held by Australians, and it was obvious that if that process continued the Territory's economy, even after independence, would be in the hands of foreigners.

26. Resolution 2227 (XXI) further called upon the administering Power to refrain from utilizing the Territory for military activities incompatible with the Charter of the United Nations. His delegation would welcome any information from the administering Power showing how it was discharging its obligations in that connexion.

27. His delegation had carefully studied all the relevant documentation together with the Australian representative's statement to the Sub-Committee on 23 August 1967. He did not deny that there had been some progress in the development of the Territory; his delegation's main contention was that the pace of that progress was too slow. The time factor was extremely important. Despite the administering Power's rejection of resolution 2227 (XXI), his delegation held that it was justified and should be implemented.

28. There were various matters which required urgent action. The House of Assembly should be vested with greater legislative powers so as to enable it to deal with all domestic issues. Only in that way could the people acquire the knowledge and political skills they needed to prepare them for independence. In addition, all electoral qualifications should be abolished and replaced by the generally accepted practice of universal adult suffrage. The administering Power should immediately abolish preferential treatment for expatriates, especially with regard to the acquisition of land, and the unequal treatment of the indigenous population in the matter of education had to cease. The people also had to be made aware of their right to decide their future and not fear to express themselves freely. Whether such fears were justified was a secondary consideration; what was important was that the administering Power should dissipate them.

29. His delegation had been gratified to learn that the future of Nauru had been resolved, and it fully supported the Local Government Council's call for independence by the end of January 1968. The future policy and political institutions of Nauru had to be freely decided by its population. His delegation also hoped that a solution would be found to the problem of land rehabilitation, thus enabling the inhabitants to remain on the island and to preserve their national identity.

30. The representative of India said it was heartening to note that, following the long-awaited discussions with the Administering Authority, the representatives of Nauru had proposed that Nauru should become independent on 31 January 1968 and had suggested a form of constitution. However, while the Administering Authority had agreed that basic changes should be made in the Government of Nauru by that date, it had as yet given no categorical assurance regarding independence for the Territory and had, in fact, presented two alternatives: that Nauru should either become self-governing in internal matters, with Australia remaining responsible for defence and foreign affairs, or that the Territory should become fully independent, with Australia retaining responsibility for defence and foreign affairs on the basis of a treaty of friendship. She recalled that the Head Chief of Nauru had stated in the Trusteeship Council that his people preferred not to make the Island's independence conditional on the conclusion of a prior agreement with Australia. The administering Power had frequently stated in the past that in determining the future status of the people, it would be guided solely by the wishes of the people themselves. Since the wishes of the people had been clearly expressed by the Head Chief, it was the duty of the Administering Authority to facilitate the transfer of power to the Nauruan people on the date set by them.

31. It was encouraging that a satisfactory agreement had been reached on the question of the ownership and future operation of the phosphate industry in the Territory, but she regretted that no agreement had been reached on the vital question of rehabilitating the mined areas of the island. The Local Government Council of Nauru had expressed reservations regarding the observation of the Expert Committee that re-soiling of the mined areas, while technically feasible, would be impracticable. Her delegation supported the view of the Nauruan people that it was the responsibility of the Administering Authority which had derived great

profits from the phosphate obtained at well below the world price, to restore the island for habitation, as had been recommended in General Assembly resolution 2226 (XXI).

32. With regard to Papua and the Trust Territory of New Guinea, she noted that all the recommendations of the Select Committee on Constitutional Development had now been accepted by the administering Power. While the proposed increase in open electorates represented a measure of progress, it should be viewed in the light of the Visiting Mission's recommendation as early as 1962 that an elected parliament of 100 members should be established. The House would have only ninety-four members even after the 1968 elections. Moreover, the newly proposed constitutional changes fell far short of the recommendations of the Sub-Committee and of those made by the General Assembly in resolution 2227 (XXI). The Sub-Committee had urged the administering Power to take measures to ensure that the House of Assembly could function as a fully representative and effective body. The retention of ten official seats was contrary to its recommendations, and the new regional seats requiring educational qualifications might well not be open to the indigenous population. Moreover, the House of Assembly still had only limited legislative powers. Its power to initiate appropriation measures was also severely restricted.

33. The administering Power had not taken any steps to fix an early date for the independence of the Territories in accordance with resolution 2227 (XXI). It maintained that this was a matter for the people of the Territory alone to decide. Her delegation believed, however, that it was the obligation of the administering Power actively to prepare the people for exercise of their right to self-determination and independence effectively and expeditiously.

34. The representative of Sierra Leone observed that the Administering Authority had so far given no clear indication of its attitude towards the decision of the people of Nauru to seek independence by 31 January 1968 and had advanced alternatives to complete independence which had not been requested by the people. In his view, an administering Power should be guided solely by the expressed wish of the people of the Territory and should not propose alternative solutions if not requested to do so. He noted, in that connexion, that the Administering Authority for Nauru had found it quite easy to support the wishes of the people of another Territory not under its administration, and he failed to see why it could not do so in the case of Nauru.

35. He was also at a loss to understand what practical considerations ruled out the possibility of refilling the worked-out land when it seemed that it was technically feasible. He noted that the Nauruans had rejected the proposal that they resettle on another island over which they would have no sovereignty. In his view, what was now required was a clear statement from the Administering Authority that the practical considerations rendering it impracticable to refill the land could be surmounted and that the wishes of the Nauruan people for independence by the end of January 1968 could be met.

36. With regard to the Trust Territory of New Guinea, he thought that very little progress has been made. The University had been expanded, but that was to be expected, since it had only recently been established. The opinions of the parliamentary under-secretaries were now being taken into account, although as yet they had no power to make administrative decisions. The Territory of New Guinea had a great potential which apparently was not yet being properly exploited for the benefit of the country as a whole. The Administering Authority should increase the rate at which the Territory's potential was being exploited and ensure that the people as a whole benefited from it and had a say in the administration of the Territory. All too often, in colonial Territories, only the lower echelons of labour benefited directly from the exploitation of their country's potential; Nauru, for example, had twice had to renegotiate the phosphate agreements to ensure that they benefited the people of the Territory as a whole.

37. The representative of Australia said that the burden of the criticisms of the administering Power made seemed to be that progress in the Territories had been disappointingly slow during the previous year. Even if the assumption that the pace of political, social and economic progress could be increased year by year by government policy was disregarded, the reports made to the Trusteeship Council and the Sub-Committee showed that there had, in fact, been considerable progress in all the Territories.

38. General Assembly resolutions 2226 (XXI) and 2227 (XXI), in his delegation's view, set limiting conditions to discussion of the Territories; they created an incomplete, and in some instances seriously distorted, picture of what was happening in the Territories and some major points in the two resolutions were at variance with the facts.

39. Reference had been made to operative paragraph 4 of resolution 2227 (XXI), which mentioned discriminatory practices in Papua and New Guinea. There was no deliberate discrimination in the Territory; the New Guinea Administration had, in fact, introduced legislation in the House of Assembly to outlaw racial discrimination, not only as between Europeans and New Guineans but also as between Papuans and New Guineans, and a special House committee had been set up to investigate the effectiveness of existing legislation. The difference between the "A" schools and the "T" schools was based on their curricula; "A" schools were designed for English-speaking pupils, irrespective of race, whereas "T" schools were for those whose second language was English and were specifically adapted to conditions in the Territory. It was therefore unjust to criticize the Administering Authority, on the one hand, for introducing an Australian curriculum into the schools and, on the other hand, for adapting a curriculum to the needs of the Territory on the ground that the students were not being given the best kind of education the Administering Authority could provide.

40. The only feature of electoral practice which might be called discriminatory was the requirement that candidates for the fifteen regional seats in the House of Assembly should possess certain educational qualifications and that provision had been laid down by the Select Committee on the Constitution of the House of Assembly - the representatives of the people - and not by the Australian Government or the Administration of New Guinea. The New Guinea House of Assembly was not, as had been stated, in an embryonic stage. It was a body elected by full adult suffrage - elections on the basis of universal adult suffrage had been held in 1964 and thereafter - and none of the legislation it had submitted for the assent of the Administration and the Australian Parliament had been rejected. No legislation submitted by the Administration which required the expenditure of money could be passed without the approval of the House of Assembly and one such piece of legislation had, in fact, been rejected. The views of the people of the Territory were constantly sought; at present, the House's Select Committee on Constitutional Development was consulting the people in all areas on their wishes for the future. It was true that political parties had only recently made their appearance in the Territory, but the Administration had never discouraged the formation of political groups; the fact that they had developed so slowly was probably due to the

physical difficulties of communications and transport. The fixing of a date for the independence of the Territory was, in his Government's view, the exclusive responsibility of its people and neither the Administering Authority nor the United Nations should interfere with the exercise of self-determination.

41. Of the 3 per cent of New Guinea land alienated by the Administration, some had been used for public works, some had been leased to Australians or to companies for development purposes, and the remainder was being used by or held in trust for the people. It was therefore unjust to say that there was inequity in land distribution. Moreover, the representative of Poland, while making no reference to the amount of money the Australian Government was spending on the Territory, had found it possible to criticize the Administering Authority for being slow in the development of the Territory and yet claimed that economic enterprises there were exploiting New Guinea's natural resources and its people for the financial benefit of Australian investors. Australian economic enterprises were doing a great deal for the development of the Territory and to claim, as the representative of Poland had done, that they were exploiting its natural resources in the interests of Australia, but not New Guinea, was illogical. It was interesting, and typical of the open society which Australia had, that the article to which the representative of Poland had referred, in which the Administration of New Guinea had been criticized, should have appeared in a periodical published by the Australian Council for New Guinea Affairs.

42. The alleged discrimination in government loans to ex-servicemen was not based on racial considerations. The loans were granted in recognition of valuable service, and the amount of a loan was decided on the purely objective criteria of ability to repay the capital and managerial capacity.

43. The standard of living of the people of Nauru was outstandingly high; one indicator of their prosperity was that, of the 1,025 motor vehicles in private ownership, 558 were owned by Nauruans. Under the recently negotiated phosphate agreement, it was expected that each Nauruan family would receive an annual income \$US34,000 higher than the current average income. Rents averaged \$1 per week, medical services and primary education were free and there was a generous system of scholarships for higher study in Australia. The allegation that the Administering Authority, by making two proposals on the Territory's future relations with

Australia during the discussions with a Nauruan delegation in June 1967, was laying down conditions for the granting of independence was unjustified: it was Australia's responsibility under the Trusteeship Agreement for Nauru to safeguard the future of the Territory and to propose arrangements for its defence and foreign affairs after independence for its representatives to consider. Negotiations on the proposals were still under active discussion by both parties which, for the purpose of the negotiations, were equals.

44. As he had said, the recent phosphate agreement was a very generous one, concluded to the mutual satisfaction of two equals. The provision of operative paragraph 3 of resolution 2226 (XXI) on restoring the island of Nauru for habitation, irrespective of the cost involved, was not particularly helpful. If restoring the island were taken to mean filling in the areas from which phosphate rock had been mined with quantities of phosphate rock obtained elsewhere and covering them with a few inches of rather poor topsoil, it was doubtful whether that procedure, even if feasible, would do more than produce only barren areas, and there were serious doubts among experts about the practicability of filling the mined areas with soil imported from elsewhere. The people of Nauru were well aware that the remaining two thirds of their phosphate deposits would probably be exhausted in less than thirty years; they have been advised of the possibility of building an airstrip or a water catchment system, and the generous terms of the phosphate agreement would enable them to decide freely on all such matters after independence. In any event, the implications of the phrase "irrespective of cost" should be given further thought; it could hardly be interpreted to mean that restoration should proceed, even if the costs were considerably in excess of the actual value of the extracted and processed rock.

45. The Chairman said he was happy to note that the Australian representative considered the matter under discussion to be worthy of serious consideration, but he could not agree with him that one of the Sub-Committee's meetings had had to be cancelled because there had been no quorum. The last meeting of the Sub-Committee had had to be postponed because of the summary record of the Australian representative's statement on the Territories in question had not been available. While, admittedly, ample information on the Territories was available in the extensive documentation which Australia had supplied to the Trusteeship Council, he himself had understood from members that the Australian statement (A/AC.109/SC.3/SR.66) had introduced a number of new elements.
46. The representative of Sierra Leone said that he fully endorsed the Chairman's comments regarding the organization of the Sub-Committee's work. Moreover, he would point out that the Australian representative himself had drawn attention to the amount of material available on the Territories; it was only reasonable for members of the Committee to request further time to give thought to any statements they might wish to make so that they could fulfil their responsibilities properly.
47. He was also surprised that the Australian representative had thought that the Sub-Committee expected progress to take place in all spheres each year. The Sub-Committee was really interested in observing what progress had been made over the long term in the social, administrative, economic and political spheres. He himself, while admitting that there had been progress in the educational field in New Guinea, had merely questioned whether the rate of progress in that field was rapid enough, as well as the rate at which the Territory's potential was being exploited. Furthermore, the Administering Authority could hardly take exception to his suggestion that it should ensure that the Territory as a whole benefited from the exploitation of its potential.
48. The representative of Australia had also observed that he considered the recently negotiated phosphate agreement for Nauru to be generous and that the Nauruans already enjoyed a very high standard of living. However, the point at issue was whether the people of Nauru were benefiting as much as they should under the new agreement, particularly in view of the fact that the phosphate deposits would be exhausted within twenty-nine years. He agreed with the representative of India that the Administering Authority should not seek to impose prior conditions for the independence of Nauru. The only way in which it could properly

safeguard the interests of the people of the Territory would be to accept whatever decision they might make concerning the system of government they wished for themselves. The Administering Authority had indicated that it was ready to accede to the wishes of the people of New Guinea when and if they decided to seek independence; it would seem that the same was not being done in the case of Nauru. Moreover, he still found it difficult to believe that the legislature for Papua and the Trust Territory of New Guinea was anything more than a rubber stamp, since all ordinances required the assent of the Administrator or, in certain cases, the Governor-General, even though the Administering Authority argued that so far assent had never been withheld.

49. The representative of India regretted that the Australian representative had seen fit to criticize the way in which the Sub-Committee was conducting its work. Surely, whether or not the Sub-Committee's work was fruitful or useful depended in large measure on the willingness of the Administering Authority to implement its recommendations, and the Administering Authority's attitude towards General Assembly resolution 2227 (XXI) was hardly evidence of its willingness to do so.

50. In criticizing the lack of progress in Papua and the Territory of New Guinea, she had not wished to imply that progress each year was slow but that progress had not been fast enough throughout the term of administration of the Administering Authority. She still contended, moreover, that there were discriminatory practices in the Territories; for example, the fact that there were two salary ranges in the public service for overseas and for local officers in Papua and New Guinea was clearly discriminatory. The administering Power had tried to justify the educational qualification for the fifteen regional seats on the basis that it was recommended by the Select Committee on Constitutional Development. That argument would have been valid if the Committee had been a fully representative body. But that was not the case.

51. The Australian representative had asked for clarification of the meaning of operative paragraph 3 of General Assembly resolution 2226 (XXI). "Restoring the island of Nauru for habitation" had already been defined by the Nauru Local Government Council as "replacing sub-soil and topsoil in the same proportions as phosphate bears to topsoil in the unmined areas" (A/6704, para. 385).

With regard to the words "irrespective of cost", the Local Government Council's view was that it could not conceive that the United Nations could reconcile a "minimum cost" solution with the obligation for advancement of the Territory and that the Administering Authority should not try to avoid its responsibilities by attempting to recover the cost of restoring land mined in the past out of the proceeds of mining lands in the future. The United Nations position was, therefore, that cost should not be a factor in considering the restoration of the island for habitation.

52. She noted that, once again, no categorical statement concerning the attainment of independence by Nauru on 31 January 1968 had been forthcoming from the Administering Authority. Her delegation would have been heartened if the administering Power had given such an assurance. In conclusion, she observed that the recommendations of the 1962 Visiting Mission to Papua and New Guinea, to which she had referred in her statement at the previous meeting, had stated that a 100-member legislature would be practicable and could be established within one year; the membership of the legislature of the combined Territories would be ninety-six in 1968 - six years after the recommendation had been made. This was indeed a slow progress.

53. The representative of Poland said that, in his view, certain misunderstandings might have been avoided if the Administering Authority had allowed visiting missions to visit the Territories in question to observe conditions on the spot and to ascertain the wishes of the people. He could not agree with the representative of Australia that the House of Representatives for Papua and New Guinea had attained adulthood; the Secretariat's working paper on the Territories (see paras. 56-92 above) clearly stated that ordinances required the assent of the Administrator or the Governor-General. As the situation stood at present, it was the Australian Parliament which, in effect, legislated for the combined Territories and it could not be argued that the House of Assembly had freedom of action. Whether or not assent had actually been withheld for any legislation was not important; the fact remained that the power of the legislature was seriously curtailed.

54. The Australian representative had not denied the existence of some inequality in the granting of loans to expatriate and indigenous ex-servicemen but had

argued that such loans were a privilege and not a right. That might well be the case, but his delegation would urge the Australian Government to end the preferential treatment of expatriates. A large loan to such a person would eventually assure him of a sufficiently high standard of education to qualify him for election to the House of Assembly. It was readily apparent that the result would be a vicious circle in which, even after independence, effective power would be in the hands of expatriates. The differences in salaries paid to expatriates and indigenous workers were further grounds for the claim that inequality did exist.

55. The Australian representative had said that there was racial discrimination in the Territory and had observed that such discrimination existed in other countries. That was little consolation to his delegation, and it urged the Administering Authority to work for the elimination of such practices. The Australian Government needed no advice in that connexion; it was well aware how it ought to proceed.

56. Although he had made no specific reference in his statement at the previous meeting to the exploitation of the Territory by foreign economic enterprises, it would be most difficult, in view of the grants of land to Australians, to reject that contention that there was such exploitation.

57. The Australian representative had given no direct reply to the question as to how the Administering Authority proposed to ascertain the wishes of the population in regard to its future. Neither had he given any direct reply to the question as to how the Australian Government intended to discharge its obligation under resolution 2227 (XXI) to refrain from utilizing the Territories for military activities incompatible with the Charter.

58. As to the question of progress in the Territories, the Committee's debate was not concerned solely with progress during the previous year but also with developments since the adoption of resolution 1514 (XV). Arguments based on the number of indigenously owned bicycles and motor vehicles were no excuse for overlooking that basic fact.

59. The representative of the United States of America said that his delegation would not comment on the situation in Nauru since the local population and the Administering Authority were engaged in major negotiations affecting the entire

future of the Territory. The fact that those talks were being held freely and openly reflected considerable credit on both parties, and his delegation was optimistic about their outcome.

60. There had been much discussion as to whether progress in New Guinea towards self-government was satisfactory and regarding the fact that the Australian Government exercised some control over the local legislature. It was natural that a completely independent country should permit no outside control over its legislature, but until the Territory in question was self-governing it followed that there would be some measure of control. To emphasize that aspect was merely to emphasize the fact that the Territory was not yet self-governing. It was wrong to dub the New Guinea legislature a "rubber stamp" and to ignore the power which it actually possessed. The essential question was whether the Australian Government used its power to inhibit New Guinea legislation; the Australian representative had presented factual information indicating that it had not done so. Furthermore, the passages in the Secretariat working paper which the Polish representative had read out showed that the House of Assembly was broadly empowered to make ordinances for the peace, order and good government of the Territory. His delegation's conclusion was that the New Guinea legislature was functioning effectively and actively and that legislative democracy was evolving at an impressive rate. It was relevant that the House of Assembly had established two Select Committees in the field of constitutional reform, which had made recommendations that had been adopted. There was reason to believe that good progress was being made in bringing the people of the Territory to the stage where they could express their wishes openly and effectively.

61. The representative of Iraq said that his delegation whole-heartedly endorsed the Chairman's statement in reply to the Australian representative's remarks on the organization of the Committee's work. A flexible time-table was of great benefit to delegations in that it gave them time to prepare written statements. His delegation had been grateful for the opportunity to hear the Australian representative's statement.

62. Subject to reservations expressed by the representatives of Australia and the United States of America, particularly on the sending of a visiting mission, the following conclusions and recommendations were adopted.

Conclusions and recommendations of the Sub-CommitteeConclusionsCocos (Keeling) Islands

63. The Sub-Committee considers that the progress towards the implementation of the Declaration contained in General Assembly resolution 1514 (XV) has been slow.

64. The Cocos Islands have special problems of size and economic viability, but that should not preclude the administering Power from complying with the implementation of General Assembly resolution 1514 (XV).

Trust Territory of Nauru

65. The Sub-Committee observes that the people of Nauru are steadfast in their declaration of becoming independent on 31 January 1968; it, however, awaits an assurance from the administering Power that the wishes of the people of Nauru will be respected.

66. The Sub-Committee records the desire of the people to remain in Nauru and for the rehabilitation of their island; but notes the statement of the administering Power on the practical impracticability of rehabilitation.

67. Though it is aware of the progress that has been made in the negotiation of ownership and control of the operation of the phosphate industry, the Sub-Committee hopes that the people of the Territory would obtain the maximum benefit from their sole and limited asset.

Papua and the Trust Territory of New Guinea

68. The Sub-Committee considers that the progress towards the implementation of the Declaration contained in General Assembly resolution 1514 (XV) continued to be slow.

69. The Sub-Committee, however, takes note of the political, social and educational growth in the Territory which constitute some advance though it considers it inadequate for a consistent and rapid implementation of the Declaration.

70. The Sub-Committee observes that the economic potential of the Territory has still to be exploited. It considers that an exploitation of this potential for the benefit of the people of the Territory will relieve their dependence on the administering Power and enhance their movement towards self-determination and independence.

71. The Sub-Committee notes that discrimination in education, the wage structure and other fields still exist in the Territory though the administering Power is making efforts to eradicate the problem.

Recommendations

Cocos (Keeling) Islands

72. The Sub-Committee reaffirms the inalienable rights of the people of the Territory to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV).

73. The peoples of the Territory should be enabled to express their wishes in accordance with the provisions of resolution 1514 (XV) through well-established democratic processes under United Nations supervision.

74. The Sub-Committee requests that the people of the Territory should be given an opportunity to express their wishes with regard to their future status and in this regard the administering Power should avail itself of the assistance which the United Nations could extend.

Trust Territory of Nauru

75. The Sub-Committee recommends that the wishes expressed by the people of Nauru of attaining independence on 31 January 1968 should be implemented by the administering Power in accordance with the provisions of General Assembly resolution 1514 (XV).

76. The Sub-Committee requests the administering Power to rehabilitate Nauru according to the expressed wish of the people so that they could continue to live there.

Papua and the Trust Territory of New Guinea

77. The Sub-Committee reaffirms the inalienable rights of all the peoples in these two Territories to self-determination and independence in conformity with the Declaration contained in General Assembly resolution 1514 (XV).
78. The House of Assembly should be made a fully representative body with expanded functions in order to transfer power to the people of the Territory.
79. The Sub-Committee feels that the efforts in the economic and educational fields should continue at a more rapid rate to enable the peoples of the Territories to direct their own affairs and take over the administration of their territory.
80. The local government councils should continue to be strengthened in order that the people could exercise self-government in municipal affairs.
81. Existing discrimination in the Territory, whether in education, wages or other areas, should be eliminated as quickly as possible.

Cocos (Keeling) Islands, Trust Territory of Nauru,
Papua and the Trust Territory of New Guinea

82. The Sub-Committee reiterates its belief that a visiting mission to the Territories is necessary and would be most useful in assessing the political climate and aspirations of the peoples. Steps may be taken to arrange such a visit in consultation with the administering Power.

CHAPTER XXI*

BRUNEI

INFORMATION ON THE TERRITORY^{1/}

General

1. The Territory of Brunei is situated on the northern coast of the island of Borneo. It comprises two enclaves in north-eastern Sarawak, separated from each other by the valley of the Limbang River. The capital of Brunei is Brunei Town. The area of the Territory is 2,226 square miles (5,765 square kilometres).
2. In 1966, the total population was estimated to be 100,000. At the 1960 census the population was approximately 84,000, consisting of the following:

Indigenous

Malays	47,000
Other indigenous	12,000

Non-indigenous

Chinese	22,000
Others (Indians, Europeans, etc.) . . .	3,000
TOTAL	84,000

Status

3. Brunei became a British protected State following a treaty signed by the Sultan with the United Kingdom Government in 1888. Under this treaty, the Sultan agreed that the United Kingdom should be responsible for Brunei's defence and external affairs. A supplementary agreement in 1906 provided for a British Resident to represent the United Kingdom Government in Brunei. Between 1942 and 1945, Brunei was under Japanese military occupation. In 1946, civil government was

* Previously issued under the symbol A/AC.109/L.365.

- 1/ The information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information transmitted to the Secretary-General by the United Kingdom under Article 73 e of the Charter on 20 September 1966 for the year ending 31 December 1965.

re-established. Under a new agreement, signed in 1959, the post of British Resident was replaced by that of High Commissioner and the United Kingdom Government continued to be responsible for Brunei's defence and external affairs.

4. The High Commissioner represents the United Kingdom Government in the State of Brunei and exercises the United Kingdom's responsibilities for the defence and external relations of Brunei.

Constitution

5. Formerly, a State Council of twelve members, consisting of the Sultan as President, the British Resident and nominees of the Sultan, advised the Sultan in the exercise of his executive and legislative functions. In September 1959, the Sultan promulgated Brunei's first written Constitution which replaced the State Council with three separate bodies: a Privy Council, an Executive Council and a Legislative Council. The main provisions of the Constitution are set out below.

6. Sultan. Supreme executive authority is vested in the Sultan. His assent is required for all bills passed by the Legislative Council. The Chief Minister (Mentri Besar) is appointed by the Sultan and is responsible to him for the exercise of all executive authority in the State. The Chief Minister is assisted by his deputy and three senior key officials: the State Secretary, the Attorney-General and the State Financial Officer, all of whom are appointed by the Sultan.

7. Privy Council. The Privy Council, presided over by the Sultan, advises the Sultan in matters concerning the amendment of the Constitution and on any other matters at the Sultan's request. It consists of the Chief Minister and five other ex officio members, the High Commissioner, and any other persons the Sultan may appoint.

8. Executive Council. The Executive Council, presided over by the Sultan, consists of seven ex officio members, the High Commissioner, and seven unofficial members appointed by the Sultan. Six of the latter are appointed from the elected members of the Legislative Council and one from its nominated members. The Constitution provides that in the exercise of his powers and in the performance of

his duties, the Sultan shall, with certain exceptions, consult with the Executive Council. He may act in opposition to the advice given him by a majority of the members of the Council, but must record fully in the minutes of the Council the reasons for his decision.

9. Legislative Council. The Legislative Council has ten elected and eleven appointed members. The Speaker of the Legislative Council is appointed by the Sultan either from among the membership of the Council or from outside it. Subject to the assent of the Sultan, the Legislative Council may make laws for the peace, order and good government of the State. It may not proceed upon any bill, motion or petition concerning certain matters, particularly financial matters, without the prior approval of the Sultan. If the Legislative Council fails to pass a bill which has been introduced or to carry a motion which has been proposed, the Sultan may declare such a bill or motion effective if he considers such action to be in the public interest. The Legislative Council has a life of three years.

Electoral system

10. The elected members of the Legislative Council are elected by, and from among, the membership of the four district councils in the Territory. The elected members of the district councils are directly elected by persons who are subjects of the Sultan, have attained the age of twenty-one and fulfil certain residential qualifications. Elections were held in March 1965 when ten members were elected to the Legislative Council and fifty-five members were elected to the four district councils. More than 80 per cent of Brunei's 19,000 voters participated in the elections.

Local government

11. Brunei Town, Belait, Tutong and Temburing each has a district council with a majority of elected members.

Political parties

12. In the 1965 elections, nine of the elected candidates were independents. The tenth represented the Brunei People's Alliance Party (BPAP). This party, which was formed in 1963, was then reported as favouring Brunei's entry into the Federation of Malaysia, and subsequently it has advocated full independence for Brunei within the Commonwealth.

13. In December 1965, the formation of a new political party, provisionally named Brunei People's Front (BPF), was announced. It was reported to have the support of a number of elected members in the Legislative Council and the district councils. Its president was quoted as having said that Brunei needed a party which would help the people raise their standard of living and work hard for independence.

Constitutional development

14. An official statement issued on 23 December 1964, at the conclusion of discussions in London between the Sultan and the Secretary of State for Commonwealth Relations, referred to the proposals for constitutional progress, which were approved by the Brunei Legislative Council on 26 August 1964, calling for the holding of elections to the Legislative Council and district councils in March 1965, to be followed by the introduction of a ministerial system of government. The Executive Council was to become a Council of Ministers and include assistant ministers appointed from among the members of the Legislative Council. The statement added that it was the intention of both the United Kingdom Government and that of the Sultan that Brunei should "proceed progressively towards full parliamentary democracy".

15. A communiqué issued in London on 28 May 1965, following talks between the Sultan and the United Kingdom Government, announced the agreement of the Sultan to proceed with the appointment of four assistant ministers from among the elected members of the legislature and later to convene a constitutional conference in Brunei. No further information is available concerning the progress made in implementing these constitutional proposals.

Economic conditions

16. The mainstay of Brunei's economy is the oil industry. Approximately 94 per cent of the value of total exports in 1964 consisted of oil exports. Oil mining is in the hands of the Brunei Shell Petroleum Company (formerly the British Malayan Petroleum Company). In 1965, 365 wells were operating, and the annual production amounted to 28,991,000 barrels. Annual production by value was \$M193,912,000.^{2/} Mining rents, royalties and taxes imposed on the oil industry form a large part of the total revenue of the Territory, and after the Government, the oil industry is the most important employer of labour (2,550 in 1965). Other sectors of the economy include rubber, subsistence agriculture, fishing, the collection of forest products and some small-scale industries.

17. The only other export of importance, besides oil, is rubber. The chief imports are food-stuffs, manufactured goods, machinery and transportation equipment. The total value of exports for the year 1965 was \$M199,747,812 and total value of imports was \$M114,062,621. The corresponding figures for 1964 were \$M187,383,007 and \$M102,181,131.

18. Brunei's annual revenue far exceeds its expenditure and this has resulted in a large invested surplus which in 1965 totalled \$M933,588,273, compared with \$M930,417,373 in 1964. The Territory's revenue is derived mainly from taxes, royalties, rents, interests and currency. The oil agreement between the Government of Brunei and the Brunei Shell Petroleum Company, signed at the end of 1963, provides for the taxation of the oil company on the basis of equal division of profits. There is no personal income tax at present, but an income tax of 30 per cent is imposed on the profits of companies operating in the Territory. In 1965, the territorial revenue amounted to \$M118,259,107 and expenditure totalled \$M83,694,806. The corresponding figures for 1964 were \$M134,724,059 and \$M63,367,499.

19. Transport. The biggest item in Brunei's Second Development Plan, the rural road project, is reported to be well under way. It is estimated that the cost to the Government will exceed £5.5 million. The project involves the construction of about 150 miles of roads in the hinterland which is yet to be opened up.

20. Among other major development projects in Brunei to be given priority are the planning and building of a new multi-million dollar airport, extension of wharf

^{2/} One Malayan dollar equals 2s.4d. Sterling or \$US 0.327.

facilities for coastal shipping in Brunei River, and the construction of a new \$32 million deep-sea port at the coastal township of Muara, seventeen miles from Brunei Town.

Social conditions

21. Labour. No significant changes in problems and general policy were reported by the administering Power concerning wages and conditions of employment, or in the administrative organization responsible for governmental activities relating to labour. The total labour force increased from 7,094 persons in 1964 to 7,664 persons in 1965, most of whom were employed by the Government and the Brunei Shell Petroleum Company.

22. Public health. The Territory has two government hospitals and one company hospital with a total of 396 beds. The medical and health facilities have a total of twenty-two registered physicians, forty-eight medical assistants and twenty-nine trained or certified nurses. Brunei has no private medical practitioners. A firm of architects has been commissioned to design and construct a new State Medical Centre incorporating all facilities required in a large modern hospital. Approximately 4.97 per cent of the total government expenditure in 1965 consisted of recurrent and capital expenditure on public health. In 1965, a Flying Doctor Service to the rural areas was instituted. The method involves the use of helicopters and a team comprising a doctor and two nurse-midwives.

23. The Malaria Eradication Project is active; the pre-eradication programme was completed in 1965 and the WHO "attack" phase was started in 1966.

24. There was a cholera epidemic from 21 September to 29 October 1965. No deaths occurred among any patients admitted into hospital. Ninety per cent of the population was inoculated.

Educational conditions

25. In 1965, there were 89 primary and kindergarten public schools with a total of 712 teachers, compared with 86 and 652 in 1964. The total number of primary school pupils rose from 15,222 in 1964 to 16,860 in 1965. The seven public secondary schools increased their enrolment from 1,658 in 1964 to 2,284 in 1965. The number of teachers in secondary schools rose from 100 to 118. The public teacher-training school increased its enrolment from 249 in 1964 to 331 in 1965.

26. The number of independent primary and kindergarten schools remained fifteen, the same as the previous year. However, the primary schools increased their enrolment from 7,060 in 1964 to 7,234 in 1965. An additional independent secondary school was established in 1965, bringing the number to nine with a total enrolment of 1,601 in 1965 compared with 1,409 in 1964. In 1965, there were 231 teachers in independent primary and kindergarten schools and 91 in secondary schools, compared with 219 and 106 in 1964 respectively.

27. Adult education. Facilities for adult education were extended in 1965. A total of 4,889 students were enrolled in classes for adults, 3,760 receiving instruction in Malay and 1,129 in English.

28. Recurrent expenditure on education in 1965 amounted to \$M10,203,287, compared with \$M7,958,110 in 1964. Capital expenditure for 1965 was \$M1,548,447, compared with \$M230,798 for 1964.

CHAPTER XXII*

HONG KONG

INFORMATION ON THE TERRITORY^{1/}General

1. The Territory of Hong Kong consists of the island of Hong Kong, numerous other islands and an adjoining area of the mainland on the south-east coast of China (Mainland). It has a total area of 398.25 square miles (1,031 square kilometres). In 1965, the population was estimated to be 3,823,200, an increase of 103,200 over 1964. Of this increase, 18,626 represented the estimated net balance of migration.

Status

2. Under the Treaty of Nanking of 1842, the island of Hong Kong was ceded to the British Crown, and in June 1843 it was declared a British Colony. Subsequently, the Convention of Peking in 1860 extended the boundaries of the Colony to include Kowloon Peninsula, and the Convention of Peking in 1898 further extended its boundaries by a ninety-nine-year lease to include areas which are known as New Territories.

Constitution

3. The formal documents which contain the principal features of the Constitution of Hong Kong are the Letters Patent which provide for the Office of the Governor, the Executive Council and the Legislative Council, and the Royal Instructions, which deal with other related matters.

4. Governor. The Governor, who is appointed by the Crown, is the Queen's representative and head of the executive in the Territory.

* Previously issued under the symbol A/AC.109/L.370.

1/ The information presented in this section has been derived from published reports. Also used in the preparation of this section has been the information transmitted to the Secretary-General by the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter on 1 June 1966, for the year ending 31 December 1965.

5. Executive Council. The Executive Council, which is presided over by the Governor, consists of five ex officio and seven nominated members. Its main function is to advise the Governor, who is required to report his reasons fully to the Secretary of State if he acts in opposition to such advice. The Governor-in-Council also has powers to make subsidiary legislation by way of rules, regulations and orders, and to consider appeals and petitions.
6. Legislative Council. The same five ex officio members of the Executive Council also serve on the Legislative Council of which the Governor is the President. In addition, there are seven other official members and thirteen unofficial members nominated by the Governor. Laws are enacted by the Governor with the advice and consent of the Legislative Council, which controls finance and expenditure through its Standing Finance Committee. The Standing Finance Committee has an unofficial majority. There are no elected members on the Legislative Council.
7. Local government. The Urban Council, for the areas of Victoria and Kowloon, consists of twenty-six members: six ex officio members and twenty ordinary members of whom ten are appointed by the Governor and ten are elected. The former temporary ex officio appointment of the Commissioner for Resettlement was made permanent in January 1965. With effect from 1 April 1965, the number of unofficial members was increased from sixteen to twenty by the addition of two elected and two appointed members. The Council meets monthly to transact formal matters, but most of its work is done through seventeen select committees which meet at frequent intervals. The Council's responsibilities are carried out through the Urban Services Department and the Resettlement Department.
8. The New Territories are divided into four administrative districts, each under a district officer who is concerned with every aspect of government activity in his district and acts as the principal link between the Government and the local inhabitants. A District Commissioner co-ordinates the over-all administration of the New Territories.
9. For local representation, villages are grouped under twenty-seven rural committees. Each rural committee has an executive committee which is elected by all village representatives.

10. The chairmen and vice-chairmen of the twenty-seven rural committees, together with the unofficial New Territories justices of the peace and twenty-one elected special counsellors, form the Full Council of the New Territories, called Heung Yee Kuk or the Rural Consultative Council. It serves as a forum where leaders of New Territories opinion gather and from which the Government seeks advice on New Territories affairs. It has an Executive Committee which meets monthly and which consists of the chairmen of rural committees, the justices of the peace and fifteen ordinary members elected by the Full Council. It also elects a chairman and two vice-chairmen who maintain contact with the District Commissioner.

11. Electoral system. The electoral franchise for the election of members to the Urban Council consists of all men and women over the age of twenty-one years who are on the lists of special and common jurors.

Judiciary

12. The courts in Hong Kong consist of the Full Court, the Supreme Court, the District Court, the Magistrate's Court, the Tenancy Tribunal and the Marine Court. The Full Court, consisting of at least two judges, hears appeals from the Supreme Court (final appeals lie to the Judicial Committee of the Privy Council in London). The Supreme Court tries criminal cases with a jury and exercises an original jurisdiction in a large number of civil matters. It also hears appeals from the Magistrate's Court and from the Marine Court. The District Court has both criminal and civil jurisdiction and also hears appeals in certain matters from the Tenancy Tribunal. The Magistrate's Court exercises a criminal jurisdiction similar to that of magistrates in England. It has a limited jurisdiction in domestic matters.

13. The Chief Justice is head of the judiciary. In 1965, the judiciary consisted of the Chief Justice and six puisne judges, seven district judges, thirty-one magistrates and the Tenancy Tribunal.

Public Service

14. At 1 April 1965, the Public Service totalled 68,474, an increase of 4,681 over the previous year. The administering Power states that the policy of the Honk Kong

Government is to fill as many posts as possible with local candidates, particularly in more senior grades which have in the past been staffed largely by overseas officers. The percentage of administrative and professional posts filled by local officers increased from 46.3 per cent in 1964 to 46.6 per cent in 1965, compared with 38.6 per cent in 1960. The percentage of overseas officers in 1965 was 2.9 per cent.

15. A Government Training Unit, established in 1961 to train local officers for more responsible jobs, has been expanded and is responsible for co-ordinating and organizing local in-service training schemes. During 1965, the unit ran a total of ninety courses attended by 1,248 trainees. In addition, 148 local officers were sent overseas for training.

Economic conditions

16. The industrial economy of the Territory is based on exports rather than on its domestic market. In general, while heavy industry, such as ship-building and ship-breaking, continues to be important, the Territory relies primarily on the products of its light industries. The textile industry dominates the economy, accounting for 52 per cent of all domestic exports and employing 43 per cent of the industrial labour force; it is also a significant factor in international trade in textiles. In all sectors, the manufacture and processing of cotton goods predominates. The manufacture of garments remains the largest sector within the industry, employing 72,000 workers. From a total of \$HK862 million^{2/} in 1961, the value of exports of clothing rose to \$HK1,760 million in 1965, produced by some 1,100 factories.

17. The manufacture of plastic articles ranks next in importance. The industry manufactured exports worth approximately \$HK700 million in 1965. Various other light industries have continued to expand. These include the manufacture of air conditioners, aluminium ware, clocks and watches, cordage, electrical appliances and equipment, enamel ware, food and beverages, foot-wear, light metal

^{2/} One Hong Kong dollar is the equivalent of 1s.3d. stg. or \$US0.175.

products, optical equipment, paint, vacuum flasks and furniture and furnishings. There has been a marked growth in the electronics industry. The manufacture or assembly of transistor radios began in 1959, and since then exports of transistor radios have doubled in volume each year to reach a total of 5.7 million sets worth \$HK118 million in 1965. The industry exports to sixty-four countries but its principal markets are the United Kingdom and the United States of America.

18. The Territory is one of the world's leading centres for ship-breaking. Much of the scrap is used in rolling mills, which produce thousands of tons of metal products used in building construction; the demands of the construction industry have resulted in the establishment of two new factories of potential significance for the future. In addition, a considerable quantity of rods and bars is shipped abroad, principally to South-East Asian countries.

19. In connexion with primary industries, the 1961 census showed just under 90,000 people employed in farming and fishing, and another 10,000 in mining and quarrying. Somewhat more than 5 per cent of the area of Hong Kong is classified as urban. Land is scarce and almost all of the cultivated land in Hong Kong is situated in the New Territories. Approximately 79 per cent of the total area of the Territory is marginal land.

20. Rice was formerly the most important agricultural crop but there has been a steady increase in market gardening and pig and poultry production. The area of land under permanent vegetable cultivation increased from 2,250 acres in 1954 to 8,100 acres in 1965. Six to eight crops of vegetables are harvested annually from intensively cultivated land.

21. Marine fish is one of Hong Kong's main primary products and the fishing fleet - nearly 10,000 vessels - is the largest of any port in the Commonwealth. The number of fisheries at the 1964 census was 76,000. In 1955, production of fresh oyster meat totalled 284 tons, valued at approximately \$HK1,490,000. Some of these oysters were processed into dried meat or juice and exported to markets overseas.

22. Iron ore - extracted at Ma On Shan - is the principal mineral production. Iron ore, wolframite and graphite are mined underground, and kaolin, feldspar and quartz are mined by open-cast methods. All the feldspar and quartz and about 25 per cent of the kaolin are used in local industry. In 1965 iron ore production totalled 131,954.81 tons, valued at \$HK5,937,967. The total production of minerals was valued at \$HK6,733,214.

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23. Imports in 1965 were valued at \$HK8,965 million, an increase of 5 per cent over the previous year. The principal imports are food-stuffs. In 1965, they were valued at \$HK2,042 million, representing 23 per cent of all imports. Other imports were raw materials and semi-manufactured goods imported for use by industry, capital goods such as machinery and transport equipment, and mineral fuels and lubricants. In 1965, China (mainland) was the Territory's principal supplier, providing 26 per cent by value of all imports and 55 per cent of food imports. The value of goods imported from China increased by 18 per cent compared with 1964. Imports from China included textile yarn and fabrics, clothing and base metals. Imports from Japan, the second largest supplier, increased to 17 per cent. Textile goods represented 38 per cent of imports from Japan; other goods included machinery, base metals, chemicals and many manufactured articles. Imports from the United States decreased slightly from the previous year, while those from the United Kingdom showed a large increase. The principal imports from the United States were textile fibres, tobacco, machinery, plastic materials and fruits and vegetables. The imports from the United Kingdom consisted mainly of machinery, motor vehicles and textile products.

24. Domestic exports were valued at \$HK5,027 million in 1965, representing an increase of 14 per cent over the previous year. Fifty-two per cent of this value was accounted for by manufactured textile products and 15 per cent by plastic goods. Fifty-one per cent of all domestic exports went to the United States and the United Kingdom. The United States remained the largest market, importing 34 per cent by value, thus increasing its purchases by \$HK492 million, or 40 per cent over the previous year. The value of goods sent to the United Kingdom was \$HK861 million (17 per cent of all domestic exports), or 11 per cent over the previous year. The Federal Republic of Germany, which became the third largest market as a result of increasing exports of woollen knitwear, imported Hong Kong goods valued at \$HK371 million. Other important markets were Canada, Singapore, Australia and Japan.

25. Re-exports were valued at \$HK1,503 million in 1965, an increase of 11 per cent over the previous year. The principal commodities in the re-export trade were gems and jewellery, textiles, medicinal and pharmaceutical products and fruits and vegetables. Japan was the leading customer, followed in order of importance by Singapore, Indonesia, the United States and China (Taiwan).

26. The tourism industry showed a slow-down during 1965, although 446,743 tourists visited the Territory, representing an increase of 12.1 per cent over the previous year. Growth of the tourism industry between 1957 and 1965 showed an increase of 9.27 per cent. In 1964, it had showed an increase of 23.3 per cent over 1963.

27. Hong Kong is financially self-supporting apart from the cost of its external defence. To this, it makes a contribution which, since 1958, has been £1.5 million a year. In 1964 it was announced that an additional £6 million would be made available over the years up to 1970 as a contribution to the costs of army and air force building programmes in Hong Kong.

28. The Territory's revenue for 1964-65 totalled \$HK1,518 million, \$HK136 million more than the original estimate. Its expenditure totalled \$HK1,440 million, which was \$HK56 million less than originally estimated. Capital expenditure totalled nearly \$HK547 million. For 1965-66, it is anticipated that capital expenditure arising from the programme of non-recurrent public works, which are mainly for more schools, medical facilities and road and land development, will lead to an estimated deficit of \$HK60 million.

29. Under Regulation 7 of the Emergency (Bank Control) Regulations of 1965, sterling was declared legal tender in Hong Kong, in any amount, at the rate of \$HK16 for one pound sterling. Since 1935, the value of the Hong Kong dollar has been maintained at approximately 1s.3d. sterling.

Social conditions

30. Labour. It is estimated that more than one third of the million and a half people employed in Hong Kong, are engaged in the manufacturing industries. The 1965 returns to the Labour Department indicate that the number of registered and recorded factories showed an increase from 8,215 in 1964 to 9,002 in 1965. The number of persons employed in such factories totalled 370,738, an increase of 20,564 over the previous year. The returns from the Labour Department are voluntary and do not include out-workers or people employed in cottage industries, and construction industries, or agriculture and fishing. The textile industry, which employed 154,605 persons, remained the largest employer of labour. The plastics industry in which a large number of out-workers are known to be employed, continued its expansion as the second largest employer of labour.

31. Wages and salaries continued to rise. It is estimated that industrial wages rose by 50 per cent during the years 1960-65. The Salaries Commission, appointed in early 1965, was scheduled to review values of the main group of employees in the Public Service in the light of the 1965 consumer price index. In June, the Commission recommended an award of 12 1/2 per cent increase in substantive salary for the period 1 July 1963 to 31 August 1964, to replace the interim non-pensionable allowance and children's allowance granted in 1964. This award did not apply to minor staff whose wages and salaries had been treated separately. The recommendation was later carried out. In the same month, the armed services and the Ministry of Public Buildings and Works granted their industrial employees a wage increase aimed at bringing wage levels broadly into line with minor staff wage levels in the government service following increases granted to such staff in December 1964.

32. The Factory and Industrial Undertakings Ordinance is the basis for the control of hours and conditions of work in industry. There are no legal restrictions on hours of work for men, most of whom work 10 hours a day or less in industry. Young people between the ages of 14 and 16 years of age may work only eight hours a day. Restrictions on the hours of work for women, introduced in the year 1959, have resulted in a decrease in the number of hours worked by men employed in the same concerns.

33. At the end of 1965, there were 309 registered unions, consisting of 239 workers' unions with a total declared membership of 6,471 and sixteen mixed organizations with a total declared membership of 9,371.

34. Public health. Including maternity and nursing homes, but not institutions maintained by the Armed Forces, there were 13,176 hospital beds available in Hong Kong in 1965, compared with 11,989 in 1964. Of these beds, 11,146 were in government hospitals and institutions and in government-assisted hospitals, while the remaining 2,030 were provided by private agencies. Apart from beds assigned to the mentally ill and for the treatment of tuberculosis and infectious diseases, there were 9,450 beds available for all general purposes, including maternity cases. A total of 1,860 beds were specifically assigned for the treatment of tuberculosis in 1965.

35. Government medical officers totalled 527 in 1965. There were 56 government dental surgeons, 1,167 government nurses and 180 government midwives.

36. Live births, which numbered 108,518 in 1964, declined to 102,195 in 1965; the live birth-rate fell from 29.4 in 1964 to 27.0 per thousand of population. The infant mortality-rate dropped from 26.4 to 23.7 per thousand live births in 1965.

37. The estimated expenditure of the Medical and Health Department for the year 1965-66 was \$HK106,044,500. An estimated \$HK41,534,200 in medical subsidies was paid to private organizations. The combined estimated expenditure of the Medical and Health Department represented 8.62 per cent of the Territory's total estimated expenditure of \$HK1,711,408,040.

Educational conditions

38. Education is not compulsory. Some of the places in government and government-aided primary and secondary schools are free. Grant schools are mainly secondary schools; the Government pays the difference between their approved recurrent expenditure and approved income, and may contribute part of the cost of capital expenditures. Subsidized schools are mainly primary schools which receive subsidies in order to enable them to keep their fees low. Private schools range from kindergarten schools to post-secondary schools. Some government assistance is given to selected non-profit-making secondary schools and awards are given to some students.

39. On the basis of the medium of instruction, schools are classified as Chinese, English and Anglo-Chinese institutions. Primary education is of six years' duration; in Chinese schools it begins at the age of 6 years and in English schools at the age of 5 years. English is studied from the third year in the majority of Chinese primary schools.

40. At September 1965, there were 129 government schools, 22 grant schools, 559 subsidized schools, 1,559 private schools and 12 special schools. From October 1964 to September 1965, new schools and extensions were added as follows: 4 government, 53 government-aided and 16 private.

41. Total enrolment in primary schools was 627,621, which was 30,650 more than in 1964. Enrolment in all types of secondary schools had increased by 19,557 to 197,237. The number of pupils enrolled at all schools, colleges and education centres totalled 914,311, an increase of 60,032 over the previous year.

42. In March 1965, there were 25,643 full-time and part-time teachers employed in registered day schools, of whom 6,954 were university graduates and 11,792 trained

non-graduates. Another 4,922 teachers were engaged in tutorial, evening and special afternoon classes, and 129 were in special schools. At the end of the 1964-65 school year, the ratio of pupils to teachers in all types of schools was 28.5 : 1.

43. At September 1965, there were 2,319 Hong Kong students pursuing further studies in the United Kingdom, compared with 1,863 in 1964. The number of students arriving in the United Kingdom was 889, compared with 750 in 1964. Hong Kong students in the United States, Canada and Australia were 981, 383 and 213 respectively.

44. Expenditure on education for the year ending 31 July 1965 was \$HK227,160,641, an increase of nearly \$HK37.5 million over the previous year.

45. A report of a working party appointed to advise on the recommendations of the 1963 Education Commission was tabled in the Hong Kong Legislative Council in April 1965 and formerly adopted two months later. The main features of the proposals, the implementation of which began later in the year were:

(a) To provide as rapidly as possible a subsidized primary school place for every child of the right age who seeks one.

(b) To add to the list of aided primary schools a number of non-profit-making private schools as well as private sessions of many existing subsidized schools.

(c) To double the amount of money which the Government contributes annually to the provision of free places in primary schools; to return to the age of 6 years as the minimum age of admission to government and aided primary schools, and to introduce a new sixth year of basic education.

(d) To provide government and aided secondary school places, or subsidized places in selected private schools, for 15 to 20 per cent of all primary school leavers, including a minimum of between 1,500 to 2,000 new subsidized places annually in private secondary schools.

(e) To increase the standard tuition fees in government and aided secondary schools, and simultaneously to increase the rates of remission of fees.

(f) To discontinue, eventually, Special Forms I and II for pupils completing their primary course, and to establish one-year to two-year courses in vocational training centres.

(g) To standardize the length of full-time training for non-graduate teachers at two years, with facilities for a third year of specialized training in certain subjects, and to lengthen part-time in-service courses by one year.

(h) To introduce fees of \$400 per annum for the two-year course in government teacher-training colleges, with a scheme of interest-free loans to students of up to \$1,200 per annum in addition to maintenance grants of up to \$1,600 per annum.

(i) To introduce an 80 per cent capital grant for aided secondary schools approved by the Government.

(j) To extend and qualify the amount of assistance to be given to private non-profit-making schools.
