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CHAPTER X. THE TERRITORIES OF AUSTRALIA.

GENERAL.

The Territories under the control of Australia are: The Northern Territory; the Australian Capital Territory; Papua (formerly British New Guinea); Norfolk Island; the Territory of New Guinea (under Trusteeship Agreement with the United Nations Organization); Nauru (under Trusteeship Agreement with the United Nations Organization); the Territory of Ashmore and Cartier Islands; and the Australian Antarctic Territory.

Under the Ashmore and Cartier Islands Acceptance Act 1933 the Commonwealth Government accepted these islands from the British Government. They were administered by Western Australia until July, 1938, when the Act was amended to annex them to the Northern Territory.

The Australian Antarctic Territory, estimated area 2,472,000 square miles of a total area of approximately 5,000,000 square miles for the Antarctic Continent, was established by an Order in Council dated 7th February, 1933, which placed under the control of the Commonwealth of Australia that part of the Territory in the Antarctic Seas which comprises all the islands and territories, other than Adelle Land, situated south of the 60th parallel of south latitude and lying between the 160th and 45th meridians of east longitude. The Territory was accepted by the Commonwealth of Australia on 24th August, 1936, when the Antarctic Territory Acceptance Act 1933 came into force by proclamation issued by the Governor-General.

The results of the census of the Territories at 30th June, 1947, may be found in the separate Census bulletins and parts published by this Bureau.

In the Territories of Papua, Norfolk Island and Nauru, Australian currency is used. In the Territory of New Guinea, however, local coins consisting of silver shillings, cupronickel sixpences and threepences, and bronze pennies are used, supplemented by Australian currency.

THE NORTHERN TERRITORY.

§ 1. Return of Civil Activity in Darwin.

During 1945-46, after the cessation of the war in the Pacific, the control of the Northern Territory was transferred from the military back to civilian hands. The Administrator re-occupied Government House at Darwin at the end of July, 1945, and by the end of 1945-46 a considerable part of the civil administration had returned from Alice Springs, and the various services had reverted to civil control. Commercial activity also recommenced. The repeal of the National Security (Emergency Control) Regulations on 28th February, 1946, permitted the re-entry of civilians into Darwin. They had earlier been allowed as far north as Pine Creek. Almost immediately, former residents, compulsorily evacuated in December, 1941 and early in 1942, and also many new arrivals, began to flock to Darwin. On 17th January, 1946, under the Darwin Lands Acquisition Act 1945, the Commonwealth became the owner of all privately owned lands and improvements thereon in Darwin and suburban areas. Shops, garages, restaurants and cafés had been opened in all suitable existing buildings, and soon applications to erect temporary premises on vacant lands were received. At 30th June, 1946, 175 acknowledgments of tenancy, 32 permissive occupancies and 20 special purpose leases had been granted.

§ 2. Area and Population.

1. *Area*.—Upon the extension of New South Wales westward to the 129th meridian in 1825, the Northern Territory was incorporated in that colony, but in 1863 was annexed by Royal Letters Patent to the province of South Australia. With the adjacent islands it was transferred to the Commonwealth on 1st January, 1911. The total area is 523,620 square miles, or 335,116,800 acres—about six times as large as Victoria.

2. *Population*.—(i) *Europeans*. At the census taken in 1881 there were only 670 Europeans in the Territory. The number increased slowly, reaching 3,767 persons in 1918. At the census of 1933 the white population had decreased to 3,306. This number, however, was 34.5 per cent. greater than the figure at the census of 1921. At the census of 1947 it had risen to 9,116, an increase of 176 per cent. on the 1933 figures.

(ii) *Non-Europeans*. The number of full-blood non-Europeans, excluding Australian aboriginals, in the Northern Territory on 30th June, 1947 was 388, of whom 250 were Chinese, the remainder being mainly Filipinos (47), Fijians (23), Japanese (21), and Malays (20). There were at one time over 4,000 Chinese in the Territory.

The half-caste population recorded at the census of 1947 numbered 1,364, of whom 1,247 were half-caste Australian aboriginals. Corresponding figures as at the 1933 census were, respectively, 800 and 743.

(iii) *Total Population*. The estimated population at 31st December in each of the years 1939 to 1946, revised in accordance with the preliminary results of the 1947 census, is given in the following table:—

NORTHERN TERRITORY : POPULATION (EXCLUDING ABORIGINALS).

Year.	Males.	Females.	Total.
1939	5,145	2,151	7,296
1940	6,340	2,637	8,977
1941	7,251	2,505	9,756
1942	6,045	2,235	8,280
1943	7,208	3,188	10,396
1944	7,229	3,240	10,469
1945	7,249	3,291	10,540
1946	7,261	3,375	10,636

The population at the Census of 30th June, 1947, was 7,378 males and 3,490 females, total 10,868.

(iv) *The Aboriginals*. A special article contributed by Dr. W. Ramsay-Smith on the subject of the Australian aboriginals was incorporated in Official Year Book No. 3 (p. 158). The Chapter "Population" in Official Year Book No. 17 contained information regarding the number and distribution of aboriginals and the measures taken by the States (in the case of the Northern Territory, by the Commonwealth) to protect them and conserve their interests. Large numbers of the aboriginals in the Territory are still outside the influence of Europeans. The total number of full-blood and half-caste aboriginals at 30th June, 1944, was estimated at 14,153, of whom 3,314 were in regular employment. There are fifteen "aboriginal" reserves, comprising an area of 67,244 square miles. (See also Chapter XVI. "Population".)

§ 3. Legislation and Administration.

On 1st January, 1911, the Territory was transferred by South Australia to the Commonwealth. The terms are outlined in Official Year Book No. 15, p. 940. By the Northern Australia Act 1926, the Territory was divided into two parts, Central Australia and North Australia, separated by the 20th parallel of south latitude, each

administered by a Government Resident. In addition, Advisory Councils and a Development Commission were provided for. The Act of 1926 was repealed by the Northern Territory (Administration) Act 1931. The administration of the Territory was placed in the hands of an Administrator, residing at Darwin, assisted by a Deputy Administrator, residing at Stuart (Alice Springs). The designation of the latter office was later changed to that of District Officer. The Governor-General was empowered to make ordinances having the force of law in and in relation to the Territory, subject to disallowance by either House of the Commonwealth Parliament (repealed by 1947 amendment).

An amendment to the Northern Territory (Administration) Act, assented to in June, 1947, enabled the Northern Territory to set up a Legislative Council. The Council consists of the Administrator, seven official members (nominees of the Administrator) and six members elected from five districts (Darwin district has two). The normal term of office of the elected members is three years. The Council is able to make ordinances for the Territory, but it must submit each one to the Administrator for assent. The Administrator may, or may not, assent, or he may refer the ordinance to the Governor-General. The Governor-General may also disallow any ordinance assented to by the Administrator within six months from the date of assent. Ordinances that (1) grant or dispose of Crown lands, (2) make leases or grants of land or money or gifts to the Administrator, or (3) relate to aboriginals or aboriginal labour, cannot be assented to by the Administrator, unless they contain a clause deferring their operation for the Governor-General's approval. All ordinances must be laid before Parliament after assent. Money votes may be proposed in the Council only by the Administrator himself, or by his permission or direction.

The Territory elects a member to the House of Representatives, who may take part in debates, but may not vote, except on a motion for the disallowance of any ordinance of the Northern Territory or on any amendment of any such motion.

§ 4. Physiography.

1. **Tropical Nature of the Country.**—The Territory is within the torrid zone, with the exception of a strip $2\frac{1}{2}$ degrees wide which lies south of the Tropic of Capricorn.

2. **Contour and Physical Characteristics.**—The low flat coast-line seldom reaches a height of 100 feet. Sandy beaches and mud flats, thickly fringed with mangroves, prevail. Sandstone, marl and ironstone form the occasional cliffy headlands. The sea frontage of more than 1,000 miles is indented by bays and inlets and intersected by numerous rivers, many of which are navigable for considerable distances from their estuaries.

The principal features of the coast-line are enumerated in Official Year Book No. 1, p. 66; the rivers in No. 2, p. 76; the mountains in No. 3, p. 67; the lakes in No. 4, pp. 77, 78; the islands in No. 5, pp. 71, 72; and the mineral springs in No. 6, p. 65.

Inland, the country generally is destitute of conspicuous landmarks. From the coast there is a general rise southwards to the vicinity of the 17th or 18th parallel of south latitude, where the higher lands form the watershed between the rivers that flow northwards to the sea and those that form the scanty supply of the interior systems. Towards the centre of the continent the land over a wide area is of considerable elevation, and there are several mountain ranges, generally with an east and west trend.

§ 5. Climate, Fauna and Flora.

1. **The Seasons.**—There are two main climatic divisions—the wet season, November to April, and the dry season, May to October, with uniform and regular changes of weather. Nearly the whole of the rainfall occurs in the summer months. Fuller particulars appear in Official Year Book No. 6, p. 1116.

2. **Fauna.**—The ordinary types of native Australian fauna inhabit the Territory. As elsewhere on the continent, the higher *Theria* are rare, but marsupials, birds, crocodiles, fresh-water tortoises, snakes (mostly non-venomous) and frogs abound. There are many varieties of freshwater fish and littoral mollusca. Butterflies and beetles are strongly represented. The white ant is a pest, anthills in the Territory sometimes attaining great dimensions. Mosquitoes and sandflies are very troublesome, particularly in the wet season. Native fauna are in some cases protected. Buffalo formerly existed in large herds, but their number has been greatly reduced by indiscriminate shooting.

3. **Flora.**—The vegetation is North Australian in type, but a number of the forms belong to the Malayan and Oceanic regions. The timber trees are not of great commercial value, but in the coastal regions tropical vegetation grows luxuriously to the water's edge. On the wide expanses of plain country in the interior there is little vegetation, the principal orders represented being:—*Euphorbiaceae*, *Compositae*, *Convolvulaceae*, *Rubiaceae*, *Goodeniaceae*, *Leguminosae*, *Utricaceae*.

Fuller particulars regarding fauna and flora are given in Official Year Book No. 6, pp. 1116-7.

§ 6. Production.

1. **Land Tenure.**—At 30th June, 1946 (figures at 30th June, 1945, in parenthesis), there were 248,758 (255,463) square miles held under lease, licence and permit in the Northern Territory, comprising 169,729 (183,668) square miles of pastoral leases, 696 (696) square miles of pastoral permits, 75,581 (68,250) square miles of grazing licences, 118 (117) square miles of agricultural leases and 2,634 (2,732) square miles of miscellaneous leases.

2. **Agriculture.**—Up to the present agriculture has made little progress in the Territory, although it has been proved that rice, tobacco, coco-nuts, mangoes, bananas, cotton, various fodder plants, and peanuts can be successfully grown. Expense of harvesting is, at present, an obstacle to the economic production of rice, and until labour-saving machinery is procured it cannot be produced with profit. There is a large stretch of first-class coco-nut land on the coast, but hitherto planting has not been attempted on a commercial scale. For the encouragement of primary production a Primary Producers' Board was established in 1931. There was little activity in agriculture during 1940-41 and the outlook was not hopeful. No information of recent developments is available as the collection of agricultural statistics was temporarily discontinued after 1940-41 owing to the war. It is hardly practicable to develop agricultural production in the sub-tropical district around Darwin, and the history of efforts in this connexion is one of almost complete failure.

3. **Pastoral Industry.**—The pastoral possibilities of certain parts of the Northern Territory were recognized at an early date, and in 1866 stock was brought into the Macdonnell Range country from South Australia. Six years later cattle were moved from Queensland to the northern parts of the Territory, and in 1879 Giles reached the Katherine River with 2,000 head of cattle and 12,000 sheep from South Australia. For various reasons sheep-raising did not succeed. The cattle industry, however, progressed steadily.

During 1945-46 veterinary and stock administration, held by the Army during the war years, was handed back to civil control. This transition period made the compilation of statistics difficult. Cattle exported during the year numbered 140,109—80,370 to Queensland, 48,864 to South Australia and 10,875 to Western Australia. The value was £1,142,776, an average of £8 per beast. Of those exported to South Australia, 33,346 were fats for immediate slaughter, and averaged £13 per beast. Sheep exported numbered 3,544—all to South Australia. Importations were mainly of bulls and stallions for breeding, sheep for butchering at Alice Springs, and cattle from the Kimberleys moving through the Territory. The numbers were—bulls, 442; other cattle, 1,732; stallions, 24; other horses, 79; rams, 67; other sheep, 755.

The estimated number of live stock in the Territory at the end of the years 1939 and 1943 to 1946 is given in the table hereunder :—

NORTHERN TERRITORY : LIVE STOCK.

31st December—	Horses.	Cattle.	Sheep.	Pigs.	Goats.	Camels.	Donkeys.	Mules.
1939 ..	32,721	922,581	38,587	483	20,335	331	1,443	366
1943 ..	30,534	978,569	25,575	191	15,149	302	1,460	416
1944 ..	31,803	984,370	29,269	146	11,384	284	1,167	426
1945 ..	31,883	960,039	18,561	407	12,810	298	1,275	471
1946 ..	30,019	972,990	28,005	208	11,914	296	1,621	513

4. Mining.—(i) *General.* Alluvial gold-digging in the Northern Territory commenced in 1869, and up to the end of 1880 gold to the value of £79,022 had been produced. In 1881 gold production from alluvial deposits reached its maximum, the value for that year being £111,945. During the following years it fluctuated considerably but as long as the alluvial deposits lasted the output was satisfactory. In the transition period from alluvial to reef mining the industry declined considerably. The production of metals other than gold has suffered on account of the vagaries of prices, and the high cost of transport and of white labour. Owing to the exceptionally high price the search for gold was stimulated and production increased annually from 1931 to 1940, but decreased thereafter owing to lack of manpower occasioned by the war. The Warramunga Goldfield, of which Tennant Creek is the centre, has been the principal producing goldfield and gives every indication of increasing production for a number of years once the difficulty, since the war, in obtaining labour and machinery has been overcome. This field has produced gold to the total value of £1,292,000 to the end of 1946. The necessity for satisfying Australian requirements of mica of strategic quality led to the regional development of the Harts Range mica fields, where roads and water supplies, hitherto unknown in this country, were made and established, and as a result, the mica fields were better exploited in the war years. Development has continued under a scheme of Government assistance. Production of wolfram concentrates fell from £58,166 in 1943 to £31,583 in 1944, rising to £42,937 in 1945, but falling off to £21,696 in 1946 when the war-time price of 110s. per unit dropped to 60s. The demand for tantalite for radar work and non-corrosive surgical equipment resulted in a production valued at £1,043 in 1943, when the Commonwealth Government purchased concentrates for forwarding to the United States of America. The use of ochre for camouflage paints caused an increase in production from the Rumbalara deposits; but production has fallen off since the end of the war. Tin concentrates were produced from the Finnis River area and the Maranboy tinfield.

(ii) *Mineral Production.* The following table shows the value of mineral production, for the years 1943 to 1946 compared with 1939 :—

NORTHERN TERRITORY : MINERAL PRODUCTION.

Year.	Gold.	Tin Con- centrates.	Ochre.	Copper Ore.	Mica.	Wolfram.	Tantalite.	Total Value all Minerals. (a).
	£	£	£	£	£	£	£	£
1939 ..	163,414	4,487	607	2,248	15,539	58,183	..	244,478
1943 ..	40,880	5,594	4,800	2,393	17,919	58,166	1,043	130,795
1944 ..	57,803	2,086	5,090	1,878	26,621	31,583	962	126,025
1945 ..	76,811	5,026	2,078	3,812	44,955	42,937	578	176,197
1946 ..	105,376	3,228	1,983	6,282	27,969	21,696	..	166,543

(a) Includes bismuth—£2 in 1944 and £9 in 1946.

The value of all minerals produced to the end of 1946 was approximately £5,842,500.

In 1934 the Governments of the Commonwealth and the States of Queensland and Western Australia agreed to co-operate in the conduct of a geological and geophysical survey of certain areas in the northern parts of Australia, including the Northern Territory. More detailed reference to the survey, which was completed in 1940, appears in Official Year Book, No. 35, page 744.

5. *Pearl, Bêche-de-Mer, and Other Fisheries.*—In 1884 mother-of-pearl-shell was discovered in the harbour of Port Darwin. Difficulty in working, principally through heavy tides and muddy water, retarded the development of the industry for many years. The production of pearl-shell has declined rapidly since 1937-38. The production for 1939-40 amounted to only 179 tons, valued at £14,350, compared with 804 tons, £67,000, in 1937-38 and 410 tons, £31,500, in 1938-39. Up to the end of 1945-46 pearl shell fishing had not been resumed from Darwin, although the high price offering for shell (up to £600 per ton compared with £190 pre-war) attracted inquiries. In view of the importance of the industry it was included in the terms of reference of the Northern Australia Development Committee. A conference was held in Melbourne in March, 1946, between representatives of the Western Australia pearl-shell industry, the Northern Territory Administration, the Western Australian and Commonwealth Governments, as a pearling sub-committee, which reported and made recommendations to the Northern Australia Development Committee. The sub-committee considered the following matters—labour, boats and equipment, financial assistance, the marketing problem and economic survey, institution of administrative arrangements and biological investigations. The recommendations were placed before the Minister for the Interior by the Northern Australia Development Committee. On the question of labour the Committee recommended that approval be given for the admittance to Australia of indentured men while the possibility of training and employing alternative labour was being investigated, and suggested that the whole position should be reviewed in five years. The depleted condition of the known beds and the depressed market were responsible for fewer Japanese vessels competing with local vessels during 1939-40.

Three fishing licences and two boat licences were issued during 1938-39 in connexion with bêche-de-mer fisheries. Prices were not remunerative, however, and the production was valued at only £252.

Darwin continues to provide a firm and ready local market for fish. The lack of suitable refrigerating plants on the fishing-boats is responsible for the deficiency of regular supplies of fish except in limited quantities obtained from traps close to the town.

§ 7. Land Tenure.

1. *General.*—A description of the system of land tenure in force in the Territory in 1928 was given in Chapter V. "Land Tenure and Settlement", Official Year Book No. 22. This description has been brought up-to-date in the following two paragraphs.

2. *Pastoral, Agricultural, etc., Leases.*—(i) *Pastoral Leases.* A pastoral lease may be granted for such term, not exceeding 42 years, as the Administrator determines. The rental for the first period is fixed by the Administrator, and is subject to re-appraisal on such dates as are specified in the lease or as are prescribed.

(ii) *Agricultural Leases.* Agricultural lands are classified, and the maximum area which may be included in any one lease is as follows:—Division A, Cultivation Farms, Class 1, 1,280 acres, Class 2, 2,560 acres: Division B, Mixed Farming and Grazing, Class 1, 12,800 acres, Class 2, 38,400 acres. Agricultural leases are granted in perpetuity, and the rent for the first period is fixed by the Administrator, and is re-appraised every

21 years. The lessee must—(a) in the case of lands for mixed farming and grazing, stock the land to the extent prescribed by the regulations and keep it so stocked; (b) establish a home within 2 years and reside on the leased land for 6 months in each year in the case of land for cultivation, and for 4 months in each year in the case of land for mixed farming and grazing; (c) cultivate the land to the extent notified by the Administrator; and (d) fence the land as prescribed.

(iii) *Leases of Town Lands.* Leases of town lands are granted in perpetuity, the rental being fixed every 14 years. Such leases must, in the first instance, be offered for sale by public auction, and if not so sold, may be allotted by the Administrator to any applicant, at the rental fixed by the Administrator. The lessee must erect, within such time as is notified, buildings to the value specified in the conditions of sale.

(iv) *Miscellaneous Leases.* The Administrator may grant a lease of any portion of Crown lands, or of any dedicated or reserved lands, for any prescribed or approved purpose. Such leases are for a term not exceeding 21 years, and may be offered for sale by public auction, or granted to an applicant at an annual rental fixed by the Administrator.

(v) *Leases of Garden Lands.* Leases of garden lands may be granted over areas within 10 miles of a town, provided the Administrator has declared the area as garden lands.

(vi) *Grazing Licences.* Licences may be granted to graze stock on Crown lands for such period, not exceeding one year, as is prescribed, and at the rent and on the conditions specified.

(vii) *Occupation Licences.* Licences may be granted for any period not exceeding 5 years, and on specified rentals and conditions, for the purpose of drying or curing fish, or for any manufacturing or industrial purpose, or for any prescribed purpose.

(viii) *Miscellaneous Licences.* The Administrator may grant licences for miscellaneous purposes for a period not exceeding 12 months on prescribed terms and conditions.

(ix) *Leases to Aborigines.* The Governor-General may grant to any aboriginal native, or to the descendant of any aboriginal native, a lease of Crown lands not exceeding 160 acres for any term of years upon such terms and conditions as he thinks fit.

3. *Mining Leases, etc.*—(i) *General.* Mining generally is governed by the Mining Ordinance 1939-1945, and special Ordinances have been promulgated by the Commonwealth respecting mining for mineral oil and coal, encouragement of mining, inspection and regulation of mining and inspection of machinery.

(ii) *Holdings under Miners' Rights.* The fee for a miner's right is 5s. for 12 months from the date of issue, and a holder thereof is entitled to occupy Crown lands for mining purposes, to construct races, to divert water, to reside on his holding, etc.

(iii) *Gold-mining Leases.* The area of a gold-mining lease must not exceed 20 acres, and the term is 21 years, renewable for a further 21 years. The rent is 2s. per acre per annum. A royalty of 3d. in the £ on the gross value of all gold and minerals won must be paid, and leases must be worked constantly by not less than 2 men for the first 12 months and thereafter by not less than 1 man for every 5 acres with a minimum of 2 men, unless exemption is obtained.

(iv) *Mineral Leases.* Mineral leases may be granted in blocks not exceeding 40 acres each. A mineral lease is issued for the same term as a gold-mining lease, with similar right of renewal. The rent is 1s. per acre per annum, and the royalty on minerals is the same as in the case of a gold-mining lease, except that payment was suspended as a war-time measure, and such temporary suspension still obtains.

(v) *Dredging Claims.* These claims may be granted for dredging for gold or minerals at a rental of 2s. per acre per annum. The maximum area of each claim must not exceed 300 acres, and 6 months after registration, the holder must employ continuously on the claim not less than 3 men and fully manned machinery valued at not less than £1,000.

(vi) *Mineral Oil and Coal Licences.* A licence to search for mineral oil or coal, or for both, may be granted over an area not exceeding 1,000 square miles for a period of 5 years on payment of an annual fee of £10. At least 4 white men must be employed for not less than 6 months in each year. A holder of a mineral oil licence who discovers payable mineral oil on the land held under his licence has a preferential right to a mineral oil lease of 160 acres, together with a reward area of 640 acres thereon. A discoverer of coal in payable quantities has a preferential right to an area of 640 acres as a coal lease.

(vii) *Mineral Oil and Coal Leases.* Leases may be granted for a period of 21 years, renewable for a further 21 years, for mining for mineral oil or coal, the maximum areas being (a) for mineral oil, 160 acres; and (b) for coal, 640 acres. In the case of mineral oil and coal, the annual rent is 1s. per acre, and a royalty of 5 per cent. on the gross value of all crude oil obtained is payable; the lessee must also work the land to the satisfaction of the Minister. In the case of coal, the royalty and conditions are fixed by regulation.

(viii) *Business and Residence Areas.* A business area may be granted at the prescribed fee and authorizes the holder to occupy on a gold-field or mineral field, for the purpose of residence and carrying on his business, an area not exceeding 1 acre, provided that when the area is for residence only it shall not exceed one-quarter of an acre.

(ix) *Garden Areas.* The warden may grant market garden areas upon any gold-field or mineral field for the purpose of growing fruit or other garden produce. The conditions as to rent, etc., are as prescribed, but the area of each garden area must not exceed 5 acres.

§ 8. Commerce, Shipping and Air Services*.

1. *Trade.*—No record is kept of the trade between the States and Territory. The value in Australian currency of the direct oversea imports and exports for 1901 and for the years 1938-39, 1940-41, 1941-42, 1945-46 and 1946-47 is given hereunder:—

NORTHERN TERRITORY : OVERSEA IMPORTS AND EXPORTS.

Items.	1901.	1938-39.	1940-41.	1941-42. (a)	1945-46.	1946-47.
	£	£	£	£	£	£
Imports	37,539	36,831	106,079	175,211	216,126	98,007
Exports	29,191	12,729	24,865	13,341	221,406	17,098

(a) July to April.

* Owing to the war the port of Darwin was closed as a Customs station from April, 1942—when Customs officers were withdrawn—till July, 1945, and for this period no details of trade and of shipping movements are available for the port, which remained purely military in character and under the control of the Defence authorities.

2. *Shipping.*—The Territory is dependent for its shipping facilities chiefly on the services of vessels trading between the Eastern States and Singapore. In addition to pearlers and other small craft, larger vessels make occasional visits, while a periodic service between Fremantle and Darwin is carried out by vessels belonging to or under charter to the Western Australian State Shipping Service. The following figures show

the number and net tonnages of oversea and interstate vessels which entered at and cleared from the port of Darwin during the years 1938-39, 1940-41, 1941-42, 1945-46 and 1946-47 :—

NORTHERN TERRITORY : SHIPPING.

Year.	Entered.		Cleared.	
	No. of Vessels.	Net Tonnage.	No. of Vessels.	Net Tonnage.
1938-39	161	181,961	172	179,422
1940-41	93	213,710	89	209,963
1941-42 (a)	81	207,970	82	206,378
1945-46	9	31,164	8	25,347
1946-47	23	50,890	23	48,136

(a) July to April only.

The foregoing figures exclude particulars of coastwise shipping. During 1938-39 fourteen vessels of 285 tons net were entered at Darwin as coastwise and two vessels of 66 tons net during 1940-41. No vessels were entered as coastwise during 1941-42, 1945-46 and 1946-47.

3. Air Services.—Prior to the outbreak of war in Europe, Darwin was the first port of arrival in Australia of aircraft from Europe, Singapore and Netherlands East Indies. The air services calling at Darwin were as follows :—Qantas Empire Airways Ltd., under contract to the Commonwealth Government, which operated the Sydney-Darwin-Singapore section of the Empire Flying Boat Service with a twice weekly service in each direction; the MacRobertson-Miller Aviation Co. Ltd., which operated a twice weekly service in each direction between Perth and Darwin, linking up with the Qantas service at the latter point; Guinea Airways Ltd., which operated a twice weekly service in each direction between Adelaide and Darwin; and the K.N.I.L.M. (Dutch) Company, which extended their Amsterdam-Batavia air route to Sydney via Darwin in 1938, operating a weekly service in each direction which was increased to a twice weekly frequency from 2nd January, 1942. Oversea air services with Darwin were suspended early in 1942 as a result of war with Japan. On 7th April, 1946, Qantas Empire Airways Ltd. reverted to the pre-war practice of operating to Singapore via Darwin. For further information see Chapter V.—Transport and Communication, H. Aviation.

§ 9. Internal Communication.

1. Railways.—Under the agreement made between the Commonwealth and the State of South Australia for the transfer of the Northern Territory, which was ratified by the Northern Territory Acceptance Act 1910, the Commonwealth was to construct the Northern Territory portion of the transcontinental railway line (connecting Adelaide and Darwin via Port Augusta).

The Northern line from Adelaide terminates at Alice Springs, about 192 miles north of the southern boundary of the Territory. The Commonwealth Government acquired on 1st January, 1911, the property in the line from Port Augusta to Oodnadatta (478 miles), and on 1st January, 1926, the control thereof was transferred to the Commonwealth Railways Commissioner. The line from Darwin to Katherine River, about 200 miles, has been extended as far as Birdum, 316 miles from Darwin.

The Clapp plan, for the standardization of Australian railways recommended, *inter alia*, the construction of a standard gauge (4 ft. 8½ in.) strategic and developmental railway between Dajarra (Queensland) and Birdum, and the conversion to standard

gauge of the Birdum-Darwin line (see Chapter V.—“Transport and Communication, B. Railways”, § 1 General), but not the conversion of the Port Augusta-Alice Springs line nor the construction of a 4 ft. 8½ in. line between Alice Springs and Birdum. Provision for both of the last two projects, however, was included in the Railway Standardization Agreement Act 1946, involving the Commonwealth and the States of New South Wales, Victoria and South Australia. The Birdum-Dajarra project is dependent on the completion of the Queensland section of the general plan.

2. **Roads.**—During the war roads were built connecting Alice Springs with Darwin, and Mount Isa (Queensland) with Tennant Creek. The first of these roads, known as the North-South Road or Stuart Highway, is 950 miles long, and runs via Larrimah and Tennant Creek. The Mount Isa-Tennant Creek Road (Barkly Highway) is 403 miles long. Both were used extensively during the war, the Stuart Highway, in particular, experiencing very heavy and continuous traffic. During 1945-46 civilian carriers made regular trips over it with foodstuffs for Darwin. The Barkly Highway is not used to the same extent, but both roads, with their water bores and communications, are a national asset, and during 1945-46 it was announced that they were to be maintained.

3. **Posts.**—Postal communication is maintained by vessels which maintain a regular service between the Territory and the Eastern States. In addition, the vessels belonging to the State Steamship Service of Western Australia give a periodic service between Fremantle and Darwin. Mail is carried between the capital cities of Australia and Darwin by the airway companies operating in each State. Inland, the northern part of the Territory receives its mail via Darwin or by means of the aerial services, and the southern districts are served via Adelaide.

4. **Telegraphs.**—The transcontinental telegraph line, covering a length of 2,230 miles, was completed on 22nd August, 1872, at a cost of nearly £500,000. The line runs in a northerly direction from Adelaide to Darwin, whence telegraphic communication is provided with Asia and Europe, via Banjoewangie (Java), Singapore and Madras. Between Darwin and Banjoewangie the submarine cable is duplicated.

Long-distance telephone communication between Darwin and the other capital cities of Australia was established after the outbreak of war in the Pacific.

High-power wireless stations have been constructed by the Commonwealth Government at Wave Hill in the Territory, and at Camooweal, just over the eastern boundary, in Queensland.

10. Educational Facilities.

Darwin Public School re-opened on 21st May, 1946, with over 100 scholars. The schools at Pine Creek and Katherine re-opened on 17th August, 1945.

Prior to 1st January, 1945, teachers were supplied on loan by the South Australian Government for service in the southern parts of Northern Territory (mainly at Alice Springs and Tennant Creek), and the Queensland Government similarly supplied teachers for Darwin and other more northern parts. In 1944 an agreement between the Commonwealth and South Australian Governments transferred the responsibility for the work in the schools in the whole of the Northern Territory to the South Australian Education Department. The Commonwealth Government provides schools and furniture, and the Department provides teachers and determines the curricula.

In spite of the shortages of manpower and materials it has been possible to make additions and improvements to the various school buildings.

Arrangements were in hand during 1945-46 to provide transport, because of the severity of the climate in the Northern Territory, to schools in Alice Springs and Darwin.

§ 11. Finance.

Revenue and expenditure for the Territory for the years 1938-39 and 1942-43 to 1945-46 are given below:—

NORTHERN TERRITORY: REVENUE AND EXPENDITURE.

Particulars.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
REVENUE.					
Taxation—	£	£	£	£	£
Customs and Excise	7,916	(a)	(a)	(a)	19,286
Sales Tax	757	(a)	(a)	(a)	2
Land and Income Tax	9,306	(b) 314	(b) 23	(b) 3	(b) 2
Probate and Stamp Duties	1,486	2,724	869	2,316	4,578
Pay-roll Tax .. .. .	..	(a)	(a)	(a)	(a)
Medical Benefits Tax .. .. .	..	2,014	III	10	17
Railways—					
North Australia	50,471	791,555	822,582	819,884	174,371
Central Australia	137,521	1,584,537	1,736,783	1,045,423	710,648
Posts, telegraphs and telephones	21,352	130,420	275,352	214,102	113,874
Territorial	27,994	36,779	41,205	37,390	25,368
Miscellaneous	36,738	69,225	98,481	45,245	86,636
Total	293,541	2,617,568	2,975,406	2,164,373	1,134,782

EXPENDITURE.					
	£	£	£	£	£
Territory Administration (c)	210,929	165,756	192,114	190,440	214,563
Developmental Services	69,314	11,429	9,435	19,615	20,199
Postmaster-General's Department (d)	25,423	50,446	46,740	45,698	53,931
Other Departments	29,712	7,367	5,739	7,256	25,151
Rents, Repairs, Maintenance	21,189	74,957	25,138	9,288	37,097
Works	243,980	94,779	72,853	84,392	70,189
Interest	66,757	50,083	49,590	48,130	47,555
Sinking Fund	14,044	17,070	17,923	18,819	19,760
Unemployment Relief	5,890	1,380	795	738	1,595
Shipping Subsidy	10,940	800	1,000	800	300
Miscellaneous	2,400	..	..	..	..
Railways—					
Working Expenses	269,560	1,131,425	1,507,249	1,301,494	803,940
New Works	29,204	6,574	19,643	35,198	25,011
Interest	274,537	252,934	250,791	244,470	232,051
Sinking Fund	51,966	63,073	66,061	69,320	72,583
Total	1,325,845	1,928,073	2,265,071	2,075,658	1,623,925

(a) Not dissected. (b) Territorial tax only, Commonwealth tax not dissected. (c) Salaries, contingencies and miscellaneous. (d) Salaries, contingencies and conveyance of mails.

AUSTRALIAN CAPITAL TERRITORY.

1. **Introductory.**—In Official Year Books Nos. 4 and 5 information was given in Section XXXI. in regard to the events leading to the selection of the Australian Capital Territory and the necessary legislation and the progress of operations in connexion with the establishment of the capital city. The physiography of the Territory was dealt with extensively and topographical and contour maps accompanied the letterpress, as well as reproductions of the award-winning designs for the laying out of the city. On 12th March, 1913, the official ceremony to mark the initiation of operations in connexion with the establishment of the Seat of Government was carried out. At this ceremony the selection of "Canberra" as the name of the capital city was announced. The Seat of Government Acceptance Act 1909-1938 provides that the Territory shall be known as the Australian Capital Territory. (A special article contributed by Dr. F. Watson, entitled "Canberra Past and Present", appears on p. 454 of Official Year Book No. 24).

2. **Transfer of Parliament.**—On 9th May, 1927, Parliament House at Canberra was officially opened by His Royal Highness Albert, Duke of York, our present Monarch His Majesty King George VI., the occasion being the 26th anniversary of the opening of the first Parliament of the Commonwealth at Melbourne by His Royal Highness George, Duke of Cornwall and York—afterwards His Majesty King George V.—on 9th May, 1901. For particulars of the opening ceremony see Official Year Book No. 21, p. 604.)

3. **Administration.**—In Official Year Book No. 18 a summary is given of the development of the administration prior to the taking over of the control of the Territory by the Federal Capital Commission, and in Official Year Book No. 22 a summary is given of the administrative activities of the Federal Capital Commission.

The administration of the Territory by the Federal Capital Commission was continued until 30th April, 1930, when the Seat of Government (Administration) Act 1924-1929 was repealed, and the powers and functions of the Commission reverted to the Government.

Since April, 1932, the general control of the Territory has been exercised by the Minister for the Interior, certain specific services, however, being undertaken by the Department of Health, the Department of Works and Housing, and the Attorney-General's Department.

4. **Progress of Work.**—The general progress of the work of construction up to the time the Territory was taken over by the Commission is outlined in Official Year Book No. 18. Later progress under the Commission is described in Official Year Book No. 22.

Since the reversion of the powers and functions of the Commission to the Government in 1930, there has been great development of works in the Territory, despite the halts in activity caused by the general reduction in Governmental expenditure during the depression years, and the necessity for restricting labour and materials to purely defence purposes during the war years. New sub-divisions of suburbs—principally in Griffith, Deakin, Turner and North Ainslie—have been developed, involving the construction of new roads, pavements, kerbing and guttering, of water, sewerage, drainage and electrical networks, the digging and stocking of plantations and parks, and the planting of hedges. To serve these new areas considerable additions had to be made to the existing water and electric supply systems in the form of new mains, sub-stations, reservoirs, etc. In addition to the development of new residential areas, other works in Canberra during the period 1930-45 were built with a wide variety of purposes—educational, cultural, scientific, recreational, departmental, public utility and defence. Works have not been restricted to the city area alone, and much has been done to improve roads, bridges, culverts, &c., in the surrounding districts. The widening of roads, regrading, provision of deviations and surfacing with bitumen, the building of bridges, and the construction and improvement of roads of access to tourist resorts have proceeded as continuously as the availability of funds, labour and materials has permitted.

The following list of the more important works completed under Governmental authority during the period 1930-45 shows the wide range covered:—The Institute of Comparative Anatomy, with laboratories and accommodation for a museum of Australian fauna; laboratories of the Division of Economic Entomology and Plant Industry of the

Institute for Scientific and Industrial Research ; a section of the National Library ; the Australian War Memorial ; additions to Government House ; a modern well-equipped high school ; primary schools ; a new Community Hospital ; a swimming pool with a modern filtration chlorination plant ; the W. J. Farrer Memorial at "Lambrigg", Tharwa ; a National Rose Garden ; a fire and ambulance station ; a regional broadcasting station ; the Patent Office building ; the Barton Hostel ; reservoirs at Black Mountain, Mount Ainslie and Red Hill ; an abattoirs ; a civil aerodrome ; a civil aviation wireless station ; naval wireless stations ; a R.A.A.F. aerodrome ; a new Royal Military College at Duntroon ; a military training school at Duntroon ; an Empire Air Training Depot (technical) ; a drill hall.

During the same period about 1,400 houses were built by the Government.

Private enterprise also played its part in building activity, and private buildings constructed included houses, several blocks of flats, two churches, a new private school, and extensive additions to existing private schools, a private hospital, a soldiers' club, a picture theatre, a broadcasting station and studio, etc.

During the war years, building and construction in Canberra practically ceased. However, about June, 1944, a quota of 25 to 30 houses per quarter was allotted under the War Housing Programmes. This programme commenced early in 1945. Of these houses, 59 were completed in the year 1945-46, including the erection of a residence for the Minister for Chile at Deakin and a house at Dickson Experimental Station. During the year 1945-46, the block known as Melbourne Buildings at Civic Centre was completed, providing additional office space and also accommodation for the Canberra University College. Other architectural works completed during 1945-46 included extensions to West Block ; provision of broadcasting control rooms in the Senate and House of Representatives at Parliament House ; alterations and renovations to Hotel Acton completing the re-conversion from office to hotel accommodation ; and the erection of a new building to accommodate the Prices Branch.

The following engineering works were completed :—One million gallon reinforced concrete reservoir to provide additional storage for the township of Queanbeyan ; construction of King's Avenue and Weir ; and the construction of Billabong Bridge. Sub-divisional street construction and the provision of water and sewerage mains were undertaken for additional sections in the suburbs of Griffith, Narrabundah, Turner and Ainslie

Electrical works carried out comprise the following :—A new high tension feeder to Ainslie and Duntroon areas to improve services and meet increased demands ; first stage of a 22 kv. supply to Cotter pumping station enabling the simultaneous use of large pumping units to meet increased summer consumption ; a new sub-station and underground supply for Melbourne Buildings ; the Parliamentary debate broadcasting system and speech amplification in the House of Representatives, Parliament House ; an internal radio communication system in the Canberra Community Hospital ; modern lighting and electrical heating installation in offices in Melbourne Building extensions ; installation of fluorescent lighting in the Government Printing Office ; extensive installation of fluorescent lighting and electrical equipment in the Governor-General's residence at Yarralumla ; and the provision of modern lighting, and a paging and sound amplifying system in the tuberculosis ward of the Canberra Community Hospital.

Mechanical engineering services include a heating and ventilation system in West Block and ventilation of the telephone exchange, East Block.

The following projects were amongst those still under construction at 30th June, 1946 :—The erection of 177 residence in various suburbs ; extensions to runways at Fairbairn Aerodrome ; provision of a heating system in the new Prices Building ; road construction and water supply, sewerage and stormwater drainage for additional sections in various suburbs ; and extension of high tension and low tension mains to new substations.

5. **Forestry.**—A considerable amount of reforestation work has been undertaken and plantations have been established at Uriarra, Mount Stromlo, Pierce's Creek, Green Hills and Kowen. Experimental plots have also been established in the Brindabella mountains.

The total area of plantations to 30th June, 1946, was 14,500 acres. Forestry operations were begun on Mount Stromlo in 1915, and up to 1925 approximately 700 acres had been planted with pine and other trees. The plantings up to this time were chiefly on aesthetic lines, but since the initiation of a wider programme, arrangements have been made for pruning and thinning, and sawmill timber is now being obtained from the logs resulting from thinning operations. The yearly output of sawmill logs from thinnings is gradually improving and has increased from 30,000 super. feet in 1930-31 to 2,000,000 super. feet in 1945-46.

In 1926 a comprehensive review was undertaken of the Territory's potentialities in regard to forest development. A system of forestry management was instituted in the existing forest areas, and a considerable amount of survey and assessment work has been completed. *Pinus radiata* has been most extensively planted, and also, as a result of experimental work, pinus areas of better quality pines on a longer rotation, such as *Pinus ponderosa* and *laricio*, have been planted during recent years, but *Pinus radiata* remains the principal species.

6. Lands.—(i) *General*. Reference has been made in previous issues of the Official Year Book to the general conditions of land tenure in the Australian Capital Territory and to the area of alienated and leased land.

As considerable portions of the Territory lands are not required in connexion with the establishment of the city, large areas have been leased under special improvement conditions in regard to the extermination of noxious weeds and the destruction of rabbits and other pests. The lands are classified into three grades of agricultural and three grades of grazing land. Leases may be granted for grazing, fruitgrowing, horticulture, agriculture, residential, business, or other purposes for a period not exceeding 25 years. The annual rental is 4 per cent. of the assessed value of the land, including improvements which are the property of the Crown, plus the amount of rates payable. No person may hold under lease land of a greater value than £10,000, exclusive of the value of buildings and fences thereon. About 292,510 acres comprising 466 leases and 12 grazing licences were held under lease and licence at 31st March, 1946, for periods varying from quarterly tenure to 25 years.

Under the Seat of Government (Administration) Act 1910, Crown lands in the Territory may not be sold or disposed of for any estate in freehold except in pursuance of some contract entered into before the commencement of that Act. Leases of land in the City Area are granted under the City Area Leases Ordinance 1936-38, and leases of other lands under the Leases Ordinance 1918-37. Land is also leased for various purposes in the City Area under the Church Lands Leases Ordinance 1924-32, and the Leases (Special Purposes) Ordinance 1925-43.

(ii) *City Leases*. The Government may grant leases in the city area of any Crown land for business or residential purposes. Such leases may be issued for a period not exceeding 99 years at a rental equal to 5 per cent. of the unimproved value of the land, which value is subject to re-appraisal at the expiration of 20 years, and thereafter every 20 years. A suitable building must be commenced within 6 months and completed within 12 months unless an extension of time is allowed.

Auction sales of city leaseholds are described in Official Year Book No. 22, p. 599.

Six leases under the Church Lands Leases Ordinance 1924-1932, which require the lessees to submit a definite building programme within a specified period, and one lease under the Church of England Lands Ordinance 1926 have been granted for church purposes. A further eight leases under the Leases (Special Purposes) Ordinance 1925-1943, one lease under the City Area Leases Ordinance 1936-1938, and two leases under the Leases Ordinance 1918-1937 have been granted for church and scholastic purposes.

The total number of leases granted under the City Area Leases Ordinance, excluding surrendered leases, at the end of the financial year 1946-47 was 741 representing a capital value of £285,167. During the year 68 new leases were granted. The number of business and residential blocks surrendered to or determined by the Commonwealth to the end of the year was 329.

Under the terms of the City Area Leases Ordinance 1936-1938 each block is leased for a period of 99 years at a rental of £5 per cent. per annum of the unimproved capital value as assessed by the Commonwealth or bid at auction. At present such rentals are subject to a 20 per cent. rebate.

(iii) *In the Jervis Bay Territory.* The Commonwealth acquired from the State of New South Wales sovereign rights over the area comprising about 28 square miles of land and water at Jervis Bay for possible use as a port in connexion with the Australian Capital. The Royal Australian Naval College was established in this area on a site known as Captain's Point, but was removed in 1930 to Flinders Naval Base, Victoria. Leases have been granted over an area of 11,788 acres in the Jervis Bay Territory.

7. *Railways, etc.*—Canberra is connected at Queanbeyan with the railway system of New South Wales by a line $4\frac{1}{2}$ miles long. This line was opened for goods traffic on 25th May, 1914, and for passenger traffic on 15th October, 1923. The railway terminus is situated in the area known as Kingston.

A direct passenger service is in operation connecting Canberra with Sydney and Melbourne, and trains leave both cities for Canberra daily.

There are two companies operating air services each several times daily on the Melbourne-Canberra-Sydney route.

Regular motor-coach services link Canberra with New South Wales, Victoria and South Australia.

8. *Population.*—The census return of population on 30th June, 1938, was 11,290 in the Australian Capital Territory and 272 in the Jervis Bay Territory, or a total of 11,562 persons. The population at the census of 30th June, 1947, was 16,905 persons—15,156 in the city area, 1,389 in the rural districts and 360 in the Jervis Bay area.

9. *Production.*—During 1945-46 the production of the more important items of the agricultural and pastoral industry was—Wheat, 38,631 bushels; wool, 1,960,000 lb.; butter, 3 tons; meat (bone-in-weight fresh), 1,132 tons. The numbers of live stock depastured at 31st March, 1946, were—Horses, 1,048; cattle, 7,867; sheep, 224,680; and pigs 619.

10. *Educational Facilities.*—Arrangements exist with the New South Wales Education Department for the administration of education up to and including the secondary stage in the Territory, the expenditure involved being refunded annually to the State. There are nine schools in the Australian Capital Territory and two in the Jervis Bay Territory. The largest school is situated at Telopea Park, Barton, with accommodation for 800 scholars. Secondary education is provided at the Canberra High School, Acton, and the Telopea Park Central School has a secondary department. The High School has accommodation for 550 scholars, and its curriculum provides a standard of education comparable in range of subjects with that provided at the Government High Schools in New South Wales. The School also provides for commercial and junior technical classes, and there is an Evening Youth College attached, with commercial, matriculation and other classes.

The Canberra Technical College at Kingston is provided with modern equipment for supplementary courses for apprentices, journeymen desirous of improving their trade qualifications, and for others who desire to take any special courses. Provision is also made for the training of ex-service personnel under the Commonwealth Reconstruction Scheme.

The Canberra Nursery School, Acton, established in 1944, provides for the training of children between the ages of 3 and 5 years.

A pre-school centre at Reid provides modified nursery school facilities for children between the ages of 3 and 5 years from that suburb. Additional centres of this type are to be established in other areas.

There are at present four private schools in the Territory. The Canberra Grammar School, the Canberra Church of England Girls' Grammar School, and St. Christopher's Convent School provide for sub-primary, primary and secondary education, and St. Patrick's School provides sub-primary and primary education.

Reference to the establishment of the Canberra University College will be found in Chapter VI. "Education".

II. Finance.—(i) *Financial Year 1945-46.* Receipts and expenditure for the financial year 1945-46 are given in the following table :—

AUSTRALIAN CAPITAL TERRITORY : RECEIPTS AND EXPENDITURE, 1945-46.

Receipts.		Expenditure.				
Items.	Amount.	Items.	New Works, etc.	Repairs and Maintenance.	Other.	Total.
	£		£	£	£	£
Rents and rates ..	223,872	Architectural services ..	200,053	52,048	..	252,101
Electricity ..	86,136	Engineering services ..	83,047	123,827	..	206,874
Motor registration ..	12,769	Forestry ..	6,979	..	19,708	26,687
Water charges ..	14,203	Parks and Gardens ..	..	58,271	..	58,271
Interest ..	12,503	Loans for housing, net ..	Cr.8,364	..	..	Cr.8,364
Miscellaneous ..	42,481	Sundry works and services ..	5,587	1,668	..	7,255
		Buildings and engineering services for Health Department ..	..	..	..	..
Total ..	391,964	Plant, etc.—	12,351	..	..	12,351
		Works ..	22,900	..	..	22,900
Trust Funds—		Transport ..	26,550	..	..	26,550
Hotels ..	47,443	Education ..	..	..	70,720	70,720
Transport ..	200,680	Hospital ..	..	..	31,100	31,100
Canberra Officers' Homes, Melbourne Works Suspense Account ..	8	Administrative ..	..	..	121,072	121,072
Interior Services Trust Account ..	863	Interest and Sinking Fund ..	..	..	278,623	278,623
Allied Works—Plant and Materials Account ..	51,340	Other Services ..	..	..	74,252	74,252
Cemetery ..	321,923	Total ..	349,103	235,814	595,475	1,180,392
Housing ..	1,872	Trust Funds—				
Total ..	640,763	Hotels ..	..	..	46,527	46,527
		Transport ..	..	..	162,250	162,250
Aggregate Receipts	1,032,727	Works Suspense Account ..	..	..	58,618	58,618
		Interior Services Trust Account ..	..	..	18,115	18,115
		Allied Works—Plant and Materials Account ..	..	..	340,116	340,116
		Cemetery ..	..	..	1,063	1,063
		Housing ..	..	..	10,516	10,516
		Total ..	..	..	637,205	637,205
		Aggregate Expenditure ..	349,103	235,814	1,232,680	1,817,597

The aggregate receipts for 1944-45 were £860,732 and expenditure was £1,426,998. Details will be found on p. 28 of *Finance Bulletin* No. 36, 1944-45.

(ii) *From 1901-2 to 30th June, 1946.*—The total receipts and expenditure from 1901-2 to 30th June, 1946, were as follows :—

AUSTRALIAN CAPITAL TERRITORY : RECEIPTS AND EXPENDITURE TO 30th JUNE, 1946.

Receipts.	£	Expenditure.	£
Commonwealth Treasury—		Lands ..	912,308
Parliamentary Appropriations—		Engineering works ..	5,411,964
Revenue ..	8,804,181	Architectural works ..	4,176,026
Loan ..	5,776,023	Other capital expenditure, sundry debtors' etc. ..	1,582,182
			12,082,480
		Seat of Government Establishment Account, being maintenance and administration less revenue : expenditure of a capital nature for which assets not longer exist; profit and loss accounts of trading activities, etc. ..	72,497,724
Total Receipts ..	14,580,204	Net Expenditure ..	14,580,204

• Excludes interest £4,559,699 net.

The foregoing table was prepared by the Department of the Interior and excludes part cost of national buildings (Parliament House, the secretariats, etc.), federal highways within the Territory, the Queanbeyan-Canberra Railway, the housing loan, etc., and loans for housing—£2,262,366.

NORFOLK ISLAND.

1. **Area, Location, etc.**—Norfolk Island, discovered by Captain Cook in 1774, is situated in latitude 29° 3' 45" South, longitude 167° 56' 29" East. Its total area is 8,528 acres, the island being about 5 miles long and 3 miles wide. From Sydney it is distant 930 miles, and from Auckland, 630 miles. The length of the coast line is 20 miles, and its form that of an irregular ellipse. Except for a portion on the south side, inaccessible cliffs rise from the water's edge. The climate is equable, the temperature ranging between 49° and 85° F. with a mean of 68° F. The average annual rainfall is 52 inches. It has been said that the salubrious climate, coupled with the beauty of its landscapes and seascapes, should render Norfolk Island "the Madeira of the Pacific". Before the war the island was visited annually by a number of tourists. With the return of improved shipping facilities and the inauguration of direct air services from Australia and New Zealand, this traffic is again rapidly increasing.

2. **Settlement.**—The first colonization, in 1788, was by Lieutenant King, who in H.M.S. *Supply* established a small penal station as a branch settlement of that at Port Jackson. The settlement was abandoned in 1813, and for 13 years thereafter its chief use was as a whaling station and place of call for British warships.

From 1826 to 1855 it was again made a penal station. In 1844 it was annexed to Van Diemen's Land (Tasmania).

The descendants of the *Bounty* mutineers, having become too numerous to subsist on Pitcairn Island, were removed thence to Norfolk Island in 1856. The new community numbering 94 males and 100 females were the descendants of British sailors and Tahitian women. The last of those transferred died at Norfolk Island on 1st March, 1943.

3. **Administration.**—In 1856 the island was created a distinct and separate settlement under the jurisdiction of New South Wales. In 1896 it was made a dependency under the Governor of that Colony, and finally by the passage of the Norfolk Island Act 1913 it was accepted by the Federal Parliament as a territory of Australia. From July, 1914 until 1st January, 1929, Norfolk Island was administered by the Department of Home and Territories, and then, until 25th June, 1941, by the Territories Branch of the Prime Minister's Department, but is now administered by the Department of External Territories through an Administrator. An amending measure, the Norfolk Island Act 1935, provided for the establishment of an Advisory Council of eight elected members to advise the Administrator.

4. **Population.**—The population as disclosed by the Census at 30th June, 1947, was 938 consisting of 505 males and 433 females. During 1946-47, 14 births, 14 deaths, and 9 marriages were recorded. The average age of the persons who died was 58 years. Arrivals to the island exceeded departures by 117, the respective figures being arrivals 829, departures 712.

5. **Live Stock.**—The latest returns of live stock show that at 30th June, 1947, there were on the island 1,464 cattle, 527 horses, 327 sheep and 25 pigs. In addition, there were 5,369 head of poultry.

6. **Production, Trade, etc.**—The soil throughout is good and is specially suitable for the cultivation of bananas, citrus and other fruits. The Hawkesbury Wonder bean seed is one of the staple crops of the island. Since the promulgation of the Ordinance regulating the export of seed the area planted with bean seed has increased. Of the 1946-47 crop, 1,087 bushels were exported, the net return to growers being £3,022.

Apart from the bean, agriculture generally has been depressed. A modern pulping factory was erected on the island during 1938 but whilst 82 tons of passion fruit pulp were produced during 1939-40, the quantity of pulp produced during 1946-47 amounted only to about 5½ tons. The pulping of cherry guavas for jelly has also been experimented with and investigations carried out with a view to cultivating flax and ramie.

The citrus trees in full bearing on the island are capable of producing over 3,000 cases of fruit, but owing to a lack of marketing facilities, production has been retarded. Lemon and orange juice sold readily, the combined value of these two items of export during 1946-47 amounted to £460. Lemon seed exported during the year was valued at £86.

Large numbers of whales pass the island throughout the season. However, whaling had not been conducted for a number of years until 1939, when the industry was revived by the formation of a whaling company. The preserved fish industry which was established some years ago has met with a number of setbacks but several consignments of frozen fish valued at £325 were exported to Australia during 1946-47.

On 30th June, 1947, the total area of land held under freehold and Crown leasehold amounted to 6,325 acres, consisting of 4,169 acres freehold and 2,156 leasehold.

Imports and exports for the six years 1938-39 and 1942-43 to 1946-47 are given hereunder; the values are expressed in Australian currency:—

NORFOLK ISLAND : IMPORTS AND EXPORTS.

Country.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.	1946-47.
IMPORTS.						
From—	£	£	£	£	£	£
Australia	27,427	20,256	23,412	28,128	29,938	50,195
New Zealand .. ..	..	..	..	133	2,273	22,368
Pacific Islands ..	163	..	62	..	191	1,476
Total	27,590	20,256	23,474	28,261	32,402	74,039
EXPORTS.						
To—	£	£	£	£	£	£
Australia	16,110	3,866	4,006	6,133	8,886	12,695
New Zealand	623	..	..	6	..	361
Pacific Islands ..	237	..	41	438	138	461
Total	16,970	3,866	4,047	6,577	9,024	13,517

Duties of Customs are levied on the following goods imported into Norfolk Island for home consumption :—

IMPORT DUTIES SCHEDULE.

Article.	Unit.	Rate of Duty.	Article.	Unit.	Rate of Duty.
		<i>s. d.</i>			<i>s. d.</i>
Spirits	pr. gal.	30 0	Chicory	lb.	0 3
Ale, beer, porter and cider	gal.	2 6	Petroleum, etc. .. .	gal.	0 3
Wine, still—			Kerosene, etc. .. .	..	0 3
Australian .. .. .	..	5 0	Residual oil, etc. ..	..	0 3
Other .. .. .	..	10 0	Oil, n.e.i. .. .. .	..	0 3
Wine, sparkling—			Lubricating oils .. .	..	0 3
Australian .. .. .	..	15 0	Sugar	cwt.	3 0
Other .. .. .	..	25 0	Molasses, etc. .. .	..	2 0
Tobacco, manufactured or unmanufactured—			Biscuits	lb.	0 1
Australian leaf .. .	lb.	2 0	Candles .. .. .	..	0 1
Other leaf .. .. .	..	4 0	Confectionery .. .	..	0 3
Cigars and cigarettes ..	..	6 0	Dried fruits—		
Tea .. .. .	..	0 3	Australian .. .. .	..	0 1
Coffee .. .. .	..	0 3	Other .. .. .	..	0 3
			Jams, jellies and pre- serves .. .. .	..	0 1

No duties are chargeable on goods imported into Australia from Norfolk Island if the goods are (a) the produce or manufacture of Norfolk Island; (b) shipped direct to Australia; and (c) not goods which if manufactured or produced in Australia would be subject to excise duty.

7. **Communication.**—The “all-red” cable from Great Britain via Vancouver, Fanning Island and Fiji bifurcates at Norfolk Island, one line connecting with New Zealand, the other with Brisbane.

A shipping service to the Territory is maintained by vessels of Burns Philp & Co. Ltd. Sydney, under the terms of the contract with the Commonwealth Government for the maintenance of shipping services to the Pacific Islands. The journey from Sydney to Norfolk Island occupies four days.

The construction of an aerodrome on the island was completed during 1943. A fortnightly passenger and air freight service between Sydney and Norfolk Island is maintained by Qantas Empire Airways Ltd., and regular air services are also in operation from New Zealand.

Until 10th June, 1947, the post office at Norfolk Island was part of the Commonwealth postal system, but as from that date Norfolk Island was established as a separate postal administration with its own issue of stamps.

8. **Social Condition.**—Education is free and compulsory up to the age of fifteen years. The school conforms to the Australian standard of public education, ranging from kindergarten to the intermediate certificate, with a two years' super-primary course of instruction in cultural subjects and in woodwork, needlework, leatherwork, basketry and hat making. The headmaster and assistant teachers are lent by the New South Wales Education Department, but they are paid by the Norfolk Island Administration. The number of scholars enrolled at 30th June, 1947, was 125.

The Court of Norfolk Island presided over by a Chief Magistrate is a court of record with dual jurisdiction. Sitting in its Limited Jurisdiction the Court has power to hear and determine actions of claims not exceeding £30 and to punish summarily all crimes and offences involving a pecuniary penalty or a sentence of imprisonment not exceeding six months. In its Full Jurisdiction the Court can hear and determine all actions, punish all crimes and offences, grant probate and letters of administration, hear-

and determine appeals from any conviction of the Court sittings in its Limited Jurisdiction, and has authority in all other matters. An appeal lies to the High Court of Australia from any judgment, order, decree or sentence of the Court sitting in its Full Jurisdiction.

9. *Finances.*—The whole of the Territorial revenue together with an annual grant from the Commonwealth Government in aid of the administrative expenses is paid to the credit of the Norfolk Island Trust Fund Account, and all administrative and developmental expenses are paid from that account. The operations for 1946-47 were as follows:—

NORFOLK ISLAND TRUST FUND ACCOUNT, 1946-47.

Items.	Receipts.	Items.	Expenditure.
	£		£
Balance brought forward ..	12,369	Salaries	8,141
Commonwealth grant ..	4,000	Purchase of liquor ..	4,536
Commonwealth grant for land resumptions	3,679	Repairs and maintenance, etc.	1,626
Customs duties	3,911	Aerodrome compensation ..	3,701
Sale of liquor	7,792	Miscellaneous	12,619
Miscellaneous	22,873	Balance	24,001
	-----		-----
Total	54,624	Total	54,624

PAPUA AND NEW GUINEA.

Provisional Administration.

Following the outbreak of the Pacific War civil administration in Papua and New Guinea was suspended on 11th February, 1942, and military control commenced. The Territory of New Guinea came under Japanese occupation in 1942, but the greater part had already been recaptured by Australian and Allied Forces when the Japanese surrendered in August, 1945. During the period of military control matters relating to the former civil administration were dealt with by the Department of External Territories Canberra. The Minister for External Territories was empowered by National Security Regulations to exercise the powers and functions of the Administrator, officers, and authorities of the territories, and jurisdiction of the Supreme Courts of Papua and New Guinea was vested in the Supreme Court of the Australian Capital Territory.

Pursuant to the provisions of the Papua-New Guinea Provisional Administration Act 1945, a single Provisional Administration Service was formed to take over from the military authorities in the Territories of Papua and New Guinea. Colonel J. K. Murray was appointed Administrator of the combined Territories on 11th October, 1945, and the transfer from military to civil control in Papua and the portion of the Territory of New Guinea south of the Markham River was effected on 30th October, 1945. Jurisdiction of the Supreme Courts of Papua and New Guinea was then vested in the Supreme Court of the Territory of Papua-New Guinea. As circumstances permitted, civil control was extended to other areas until the whole of the Territory of New Guinea came under control of the Provisional Administration of Papua-New Guinea on 24th June, 1946.

PAPUA.

§ 1. General Description.

1. *Early Administration.*—Particulars of the early administration of Papua are given in Official Year Book No. 19, p. 576.

2. *Administration by Commonwealth of Australia.*—The Territory was placed under the authority of the Commonwealth on 1st September, 1906, by proclamation issued in pursuance of Letters Patent of 18th March, 1902, and was accepted by the

Commonwealth by the Papua Act 1905, which came into force by virtue of the aforesaid proclamation. The transfer was made under the authority of Section 122 of the Constitution. The Territory is now under the control of the Commonwealth, but not included within it, and is divided into magisterial districts.

Prior to an amendment made in 1940, the Papua Act provided for the appointment of a Lieutenant-Governor to administer the Territory. The office of Lieutenant-Governor was held by Sir Hubert Murray, K.C.M.G., from 1909 until his death in February, 1940. The amendment referred to provided for the control of the Territory by an Administrator.

3. *Area, etc.*—Papua lies wholly within the tropics. The northernmost point touches 5° S. latitude; its southernmost portion, comprising Sudest and Rossel Islands, lies between 11° S. and 12° S. latitude. It is separated from Australia by Torres Strait. The length of Papua from east to west is upwards of 800 miles; towards either end the breadth from north to south is about 200 miles, but about the centre it is considerably narrower. The Territory comprises also the islands of the Trobriand, Woodlark, D'Entrecasteaux and Louisiade groups. The length of coast-line is estimated at 3,664 miles—1,728 on the mainland, and 1,936 on the islands. The total area is about 90,540 square miles, of which 87,786 are on the mainland, and 2,754 on the islands. A reference to the physical characteristics of the Territory appears in previous issues of the Official Year Book (see No. 18, p. 633).

§ 2. Population.

The white population of Papua at the Census of 30th June, 1947, was 2,542, made up of 1,700 males and 842 females. The numbers recorded in earlier years were:—1937, 1,323; 1938, 1,488; 1939, 1,608; 1940, 1,822; and 1941, 3,070.

It is not possible to give exact data regarding the number of natives, because a large area of the interior has not as yet been under complete Government control. The official estimate is 300,000. Such censuses of the native population as have been taken during recent years point to a slight increase. The coloured population, other than Papuans, on 30th June, 1947, was 194. On the same date, half-castes, with one of the parents a European, were 503. An Immigration Restriction Ordinance prohibits the immigration of persons who fail to pass the dictation test, or who are of bad character, or likely to become a charge upon the public. Exemptions may, however, be granted by the Administrator to persons of special skill required for employment as overseers or foremen.

§ 3. Native Labour, Taxation, Health, etc.

1. *Native Labour.*—Information regarding the conditions connected with the employment of native labour in 1928 will be found in Official Year Book No. 22, p. 607.

The existing laws relating to native labour are uniform in Papua and New Guinea, and are contained in the Native Labour Ordinance 1946 of the Territory of Papua-New Guinea and in the regulations made thereunder. Employers may recruit personally or by associations of employers or by salaried persons in the regular employment of those employers or associations. The administration determines the numbers that may leave a village for employment and the number that may be employed by each employer. Service on the part of the native is voluntary and he must be justly treated, properly housed and fed and given adequate medical attention when necessary. Natives under 16 years may not be employed and a minimum monthly wage (15s.) and working week (44 hours) are prescribed. Employment under contract is limited to a maximum of 12 months and re-engagement is not permitted until the native has been returned to his village for a period of three months. Employers must repatriate native employees on termination of their contracts. Provision also exists for compensation for injury or death arising out of employment.

The number of natives engaged under contract of service on 31st March, 1947, was 7,575. In addition there were 2,246 non-indentured employees.

2. **Native Taxes.**—Under the Native Taxes Ordinance, 1917-1936, a tax not exceeding £1 per annum may be imposed on natives, except native constables, mission teachers and mission students, natives unfit for work, and those who have four living children. The proceeds of the tax must be expended on native education, or devoted to purposes directly benefiting the natives.

The taxes collected in 1940-41 amounted to £16,761, of which £5,904 was transferred to the Native Education Fund, and £8,474 to the Native Benefits Fund. The Native Education Fund during 1940-41 disbursed to primary and technical education £4,036, and to agricultural education £1,262, leaving a credit balance of £26,200. From the Benefits Fund the expenditure included:—Anthropology, £838; health, £6,309; village improvements, £94; family bonus, £1,720; games in villages, £12; and clerical expenses, £25.

3. **Care of Half-caste Children.**—An Ordinance was passed in 1922 to provide for the care and maintenance of neglected half-caste children. The Ordinance provides that a sum of £26 per annum shall be paid to the Commissioner for Native Affairs by the adjudged father of the child until the child, if a boy, shall reach the age of 16 years, or, if a girl, 18 years.

4. **Health.**—The two principal native hospitals are in Port Moresby and Samarai; but minor hospitals are attached to the out-stations. Hospitals are also conducted by the various mission societies and plantation companies. The mission societies employ a number of doctors and trained nurses. European medical assistants are employed by the Government. A training school has been established for the purpose of training natives in first-aid, elementary physics, chemistry, anatomy, physiology and pathology in preparation for their employment as native medical assistants. Arrangements have also been made for students to attend the Native Medical Practitioners' School at Fiji. The chief complaints treated are malaria, yaws, ulcers, lung affections, hookworm, venereal and skin diseases. The death rate amongst native labourers was 2.7 per cent. in 1940-41.

§ 4. Land Tenure.

1. **Method of Obtaining Land.**—The broad principles upon which the land laws of Papua are based are (a) no land can be alienated in fee simple; (b) the rental of the land leased is assessed on the unimproved value of the land, and is subject to re-appraisal at fixed periods. The terms upon which land may be leased are very liberal. Leaseholds of the best class of agricultural land may be obtained for 99 years. No rent is payable during the first ten years of the lease on areas less than 1,000 acres. During the following ten years the rent is charged at the rate of 5 per cent. on the unimproved value of the land. The unimproved value of the land is appraised every twenty years and the rent determined accordingly. If on any appraisal the rent is raised by more than one-third the lessee may disclaim the lease and shall be entitled to receive compensation for his improvements. The unimproved value of agricultural land has been fixed at 5s. per acre. Rent is immediately payable on areas exceeding 1,000 acres, and survey fees on areas exceeding 100 acres.

2. **Crown Lands.**—Private sales of native-owned land in the Territory have now ceased. The Government buys from the natives, and then leases to planters, who are forbidden to have direct dealings in land with Papuans. The amount of Crown Land purchased from the natives in 1940-41 was 12,177 acres, and the total to 30th June, 1941, 1,787,783 acres. The tenures under which surveyed areas were held at 30th June, 1941, were leasehold 200,303 acres, and freehold 23,490 acres. The area of leases granted during 1940-41 for agricultural purposes was 9,834 acres most of which was intended for rubber plantations. The low price of copra and the more favorable prospects of rubber had diverted attention to the latter culture. At 31st December, 1941, more than 80,000 acres were held under leases for the cultivation of rubber. Crown rents on leaseholds for 1941 amounted to £7,317.

§ 5. Production.

1. **General.**—The products of the Territory are obtained from its agricultural, timber, fishing, mining and manufacturing industries. Gold is the principal mineral mined, and rubber and copra are the most important amongst plantation products. Portions of the Territory appear well suited for cotton cultivation, and there is a possibility of obtaining petroleum in marketable quantities. Bounties are paid by the Commonwealth Government on cocoa beans and shells, hemp and coir, sago, vanilla beans, bamboos and rattans, spices and kapok, produced in the Territory and exported direct to Australia for home consumption.

2. **Agriculture.**—(i) *Soil and Rainfall.* Rich soils at varying elevations and heavy and evenly distributed rainfall favour the cultivation of a variety of tropical products including sugar-cane, coco-nuts, sago palm, bread fruit, dyewoods, spices, ginger, nutmegs, bananas and other fruits. There are large areas of rich alluvial and volcanic soils along the coast, and fertile land is found at elevations up to 6,000 feet. Heavy rainfalls occur, except over a belt of country which runs back from the coast to the hills, and which has its dry season from May to November. This "dry" area is admirably suited for the production of tobacco, fibres, cotton, etc.

(ii) *Plantations.* Agricultural settlement has been mostly in the Central and Eastern Divisions with coco-nuts and rubber as the principal crops. The natives are compelled by an Ordinance to plant coco-nuts for food supply. In addition to the coco-nuts in these plantations, many more are planted over small and widely scattered areas by the older natives in accordance with custom. The Native Plantations Ordinance provides for the establishment of plantations in which half of the proceeds is paid to the natives entitled thereto, and the remaining half paid into the Native Education Fund. The following table shows the areas under the different crops during the five years 1936 to 1940:—

AREA UNDER CULTIVATION.

Crop.	1936.	1937.	1938.	1939.	1940.
	Acres.	Acres.	Acres.	Acres.	Acres.
Coco-nuts	48,188	45,207	44,719	44,527	44,583
Rubber	10,270	10,956	12,809	14,494	18,262
Sisal hemp	150	150	700	700	..
Kapok	168	119	84	92	85
Coffee	368	271	248	190	84
Other	801	933	664	554	595
Total	59,945	57,636	59,224	60,557	63,609

At 30th June, 1940, the London market price for hot-air dried copra was £13 5s. per ton as compared with £11 7s. 6d. at 30th June, 1939. Rubber at the later date was 13½d. per lb. compared with 8d. per lb. on 30th June, 1939.

(iii) *Government Plantations.* There are five Government plantations, the Orangerie Bay and Kikori coco-nut plantations and the Gobaregere, Cupola and Kokoda rubber plantations.

3. **Forestry.**—The principal softwood timber is known as "ilimo," while among satisfactory timbers of the lowlands are "nara," "medobi," and "melila." There are a large number of woods, varying from the softest to the hardest, including beautiful cabinet woods, but research is necessary to determine their usefulness. The development of a coniferous belt at the higher altitudes offers great possibilities. It is believed that teak and sandalwood are well suited for cultivation.

4. **Live Stock.**—At 31st December, 1940, the live stock in the Territory consisted of 587 horses, 5,994 head of cattle, 87 mules, 1,244 goats, 665 pigs, 30 sheep and 6,320 fowls. The introduction of rabbits, foxes, hares and monkeys is prohibited.

5. **Fisheries.**—Pearl-shell fishing occupies an important place in the industries of Papua. In 1941 considerable numbers of luggers were licensed, but the returns were mostly credited to Queensland, whose boundary approaches to within a few miles of the Papuan coast. The species of tortoise which supplies the commercial tortoise-shell is also a native of Papua. Bêche-de-mer and trochus are found along the shores and reefs and form valuable articles of export.

6. **Mining.**—(i) *Variety of Minerals.* Minerals have been found over a wide range of country. Those discovered so far are gold, copper, tin, lead, zinc, cinnabar, iron, osmiridium, gypsum, manganese, sulphur, graphite, chromite, lignite, platinum and petroleum.

The existence of petroleum has been traced at scattered intervals over a large area. Three companies hold permits under the provisions of the Petroleum (Prospecting and Mining) Ordinance 1938–1939 and oil prospecting has been carried on in the Western, Delta, Gulf and Central Divisions.

Of precious stones, only the topaz and beryl have been obtained. Large beds of apparently good coal also exist.

(ii) *Gold.* Gold was discovered in 1888 and the search gradually spread over every division, finds being reported wherever the explorers went. The estimated quantity in fine ounces and the value of the gold yield for the five years 1936–37 to 1940–41 are given below :

PAPUA : GOLD YIELD.(a)

1936–37.		1937–38.		1938–39.		1939–40.		1940–41.(b)	
Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Fine oz.	£	Fine oz.	£	Fine oz.	£	Fine oz.	£	Fine oz.	£
21,605	187,975	25,835	223,160	35,808	325,116	30,422	316,203	10,348	110,501

(a) Valued at average price realized for fine gold in Australia. (b) Nine months ended March 1941.

Most of the rivers, except those flowing into the Gulf of Papua, have been declared open to gold dredging, and good yields have been obtained. The total value of gold won to 31st March, 1941, was £3,269,021.

(iii) *Copper.* Copper matte to the value of £5,999 was exported during 1940–41. The principal value of this item is its gold content.

(iv) *Other Minerals.* Some good samples of galena (sulphide of lead) have been obtained, while cinnabar (sulphide of mercury), graphite (or plumbago), zinc-blende, native sulphur, and other minerals are known to exist. In 1924 a deposit of lignite was discovered on Smoky Creek, a tributary of the Era River.

A mineral laboratory and museum have been fitted up, and are available to prospectors and others interested.

7. **Water Power.**—Most of the rivers in Papua carry a large volume of water from a great height over a relatively short distance, thereby offering opportunities for the installation of hydro-electric power plants. It is estimated that there is at least 10,000,000 h.p. available for this purpose.

§ 6. Trade and Shipping.

1. **Customs Tariff.**—In the Schedule to the Customs Tariff of Papua 136 items are mentioned, of which approximately one-third is on the free list, consisting of a number of foodstuffs and certain manufactures for use in the development of the Territory or its industries. Where duties are imposed they are generally on a 10 per cent. ad valorem basis, with the exception of ale, spirits, beverages and tobacco on which high revenue rates are imposed. Preference is given to Australian wines. On 16th July, 1931, a primage duty of 4 per cent. ad valorem was imposed on all goods, whether dutiable or not, in addition to the ordinary customs dues; the rate was subsequently reduced to 2½ per cent. and the duty ceased to operate on 1st July, 1937. From 12th July, 1940,

the duty has been re-imposed, but certain specified articles have been exempted. The value of imports into Papua during 1940-41 was £539,152 and the duty collected, £63,116. The duty collected in 1939-40 was £64,611.

In 1940-41, £4,255 was received in export duties which are levied on pearl-shell gold and copra, in the latter case only on the excess above £20 per ton of a certain declared value deemed to be the London market price.

Provision is made in the Australian Customs Tariff (Papua and New Guinea Preference) 1936 for the free entry into Australia of certain goods produced and imported direct from Papua (see Chapter XI. "Trade"), and a proclamation of 25th September, 1935, exempted from primage duty goods produced or manufactured in the Territory.

2. Imports and Exports.—Tables of imports and exports during the years 1936-37 to 1940-41 are given below. The values of exports are expressed in Australian currency but it is not possible to determine accurately the currency of the £ in the table of imports.

PAPUA : IMPORTS AND EXPORTS.

Particulars.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
IMPORTS.					
	£	£	£	£	£
Ale, spirits and beverages	11,362	14,453	14,818	19,544	24,922
Tobacco and manufactures	25,637	24,213	27,466	31,669	31,874
Agricultural products and groceries	114,621	143,937	138,551	156,560	160,345
Textiles, felts, furs, attire, etc. . . .	40,987	45,492	37,712	55,388	46,883
Metals and machinery	98,875	124,277	76,068	306,937	80,294
Oils, paints and varnishes	27,519	37,139	33,331	44,141	37,437
Earthenware, cement, glass, etc. . . .	5,078	6,969	5,585	7,069	7,939
Drugs and chemicals	9,596	12,904	12,828	17,630	16,904
Wood, wicker and cane	7,620	14,918	13,076	8,400	9,039
Jewellery and fancy goods	9,171	9,495	7,756	8,075	7,443
Leather and rubber	6,288	6,748	8,076	11,154	8,996
Paper and stationery	6,317	8,569	8,521	8,218	8,237
Miscellaneous	58,633	126,479	94,273	79,128	53,516
Government stores	30,352	55,904	36,747	72,499	45,323
Total	452,056	631,497	514,808	826,412	539,152
EXPORTS.					
	£	£	£	£	£
Bêche-de-mer	3,939	1,363	2,506	1,024	1,202
Coco-nut, desiccated	47,137	52,628	48,140	58,015	59,523
Coffee beans	7,536	6,606	6,911	5,289	5,754
Copra	191,808	91,166	57,999	45,568	59,062
Gold	91,775	109,738	152,103	139,621	133,341
Pearls	1,966	2,400	15	..	6,000
Rubber	124,174	129,448	114,949	152,487	172,099
Trochus shell	12,581	8,578	9,200	9,312	1,680
Other	43,085	33,666	98,335	99,356	54,114
Total	524,001	435,593	490,158	510,672	492,775

The trade of the Territory reached its maximum in 1939-40, exceeding by £180,414 the previous highest figure which was established in 1925-26 when imports were valued at £470,774 and exports at £685,896. Prices for both copra and rubber were high about 1925-26 and the copper-mines were producing freely.

3. **Direction of Trade.**—Particulars of the countries of origin of the imports into Papua and of destination of the goods shipped therefrom are shown below for the three years ended 1940-41.

PAPUA : DIRECTION OF TRADE.

Country.	Imports.			Exports.		
	1938-39.	1939-40.	1940-41.	1938-39.	1939-40.	1940-41.
	£	£	£	£	£	£
Australia	239,105	319,431	298,848	409,408	456,120	453,504
United Kingdom ..	56,699	88,354	51,732	25,840	12,454	16,764
Other British Countries	45,313	28,505	49,454	17,630	8,359	8,453
Europe	23,966	14,864	5,414	11,024	11,118	..
Japan	14,858	18,937	24,821	7,582	4,237	7,718
Asia, excluding Japan	38,960	42,563	15,414	2,425	252	1,279
Dutch East Indies and Philippine Islands ..	21,288	24,188	29,278	11,519	10,948	4,744
U.S. of America ..	73,446	288,224	64,137	576	5,077	313
America, Other ..	1,173	1,346	54	..	2,107	..
Morocco .. ..	..	..	..	4,154	..	..
Total	514,808	826,412	539,152	490,158	510,672	492,775

4. **Shipping.**—The following table shows the number and tonnage of oversea vessels entered and cleared at ports during the five years ended 1940-41. Of the vessels recorded in 1940-41, 166 were of British nationality.

PAPUA : OVERSEA SHIPPING.

Year.	Vessels.	Tonnage.
1936-37	181	356,476
1937-38	243	482,981
1938-39	215	461,199
1939-40	227	489,970
1940-41	217	489,469

NOTE.—The figures above exclude ships of war and Government vessels.

§ 7. Finance.

The revenue and expenditure of Papua for the five years 1936-37 to 1940-41 were as follows :—

PAPUA : REVENUE AND EXPENDITURE.

Particulars.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
	£	£	£	£	£
Revenue—					
Customs	57,443	58,539	54,606	64,874	77,359
Commonwealth Grant ..	42,500	42,500	42,500	42,500	42,500
Lands	6,530	6,709	6,013	7,112	7,700
Fees, fines, etc. ..	6,148	7,065	9,501	9,554	10,050
Other	(a) 59,170	67,995	53,203	53,878	51,909
Total	171,791	182,808	165,823	177,918	189,518
Expenditure—					
Medical	16,718	20,884	22,075	20,785	24,718
Ordinary Votes	(b) 127,926	122,536	116,275	127,455	132,633
Public Works	23,503	35,828	25,458	26,966	29,886
Native Affairs	2,773	3,854	2,522	2,726	1,763
Total	170,920	183,102	166,330	177,932	189,000

(a) Includes Commonwealth grant to rubber growers of £6,871.
of Commonwealth special grant.

(b) Includes expenditure

The table above and that on page 365 give separate particulars of the respective territories. Following the institution of the new provisional administration particulars of finance relate to both territories. In order to provide a comparison with 1945-46, combined particulars are also shown below for the years 1937-38 to 1940-41. The figures include the transactions of the following accounts :—Trust Territory of New Guinea—Consolidated Revenue Account; Papua—Public Revenue Account, Native Tax Account, Native Education Fund and Native Benefits Fund. Figures for 1945-46 relate to Civil Administration only. The last three funds are not included in the table above.

TERRITORIES OF PAPUA AND NEW GUINEA : REVENUE AND EXPENDITURE.

Particulars.	1937-38.	1938-39.	1939-40.	1940-41.	1945-46.
	£	£	£	£	£
Revenue—					
Taxation—					
Customs Duties	290,839	257,460	259,688	225,749	50,533
Stamp Duties	6,542	7,061	6,581	4,590	261
Native Head Taxes	35,115	38,461	34,831	38,515	..
Licences	15,321	15,185	14,266	11,683	741
Other Taxes	9,321	7,370	5,971	4,664	..
Commonwealth Grants	42,500	42,500	(a)69,500	(a)81,000	252,740
Post Office	75,337	40,548	29,967	25,025	6,618
Lands	22,887	24,429	22,393	24,057	107
Mining—					
Royalty on Gold (b)	97,464	107,974	143,906	119,792	..
Other	22,082	18,682	15,164	13,533	540
Harbour Dues, Wharfage, etc.	20,439	16,930	18,209	14,596	..
Fees, Fines and Forfeitures, n.e.i.	8,319	11,122	11,345	11,570	1,958
Electric Light and Power Supply, Papua	5,248	6,094	7,191	8,201	..
Other Revenue	49,620	48,351	47,996	45,401	4,664
Total	701,034	642,167	687,008	628,376	318,162
Expenditure—					
Public Debt Charges—					
Interest (b)	755	720	684	647	..
Provision for Redemption of Debt (b)	7,864	7,899	7,451	972	..
Post Office	(c) 7,917	(c) 8,875	(c) 17,723	(c) 15,883	10,986
Social Expenditure—					
Education	10,995	12,904	13,348	12,141	3,090
Public Health Services, Hospitals, etc.	102,628	113,571	107,199	106,267	32,905
Law, Order and Public Safety	129,571	147,365	137,890	124,613	23,562
Native Welfare n.e.i. (d)	89,253	83,203	95,890	80,426	13,663
Grants to Missions for Education and Medical Services	5,496	4,865	5,001	5,440	8,476
New Works, Buildings, etc.	(b)70,011	(b)69,145	(b)63,257	(b)48,509	21,674
Other Public Works and Services	63,325	57,422	49,692	43,510	38,426
Electric Light and Power, Papua	3,457	2,837	5,370	9,107	..
Legislative, General Administration and Other Expenditure	211,536	170,896	186,929	185,450	147,655
Total	702,808	679,702	690,434	632,965	300,437

(a) Includes payments, by Commonwealth to Trust Territory of New Guinea, of collections under Gold Tax Act 1939 on gold produced in New Guinea—1939-40, £27,000 and 1940-41, £38,500.
 (b) Trust Territory of New Guinea only. (c) Excludes salaries in Trust Territory of New Guinea. These are included under General Administration. (d) Expenditure on Native Welfare not included under other headings.

§ 8. Progress of Papua.

The following table indicates the progress made from 1st September, 1906, when the Territory was placed under Australian control, to 30th June, 1941 :—

PAPUA : STATISTICAL SUMMARY.

Items.	Year ended 30th June—			
	1907.	1939.	1940.	1941.
White population No.	690	1,608	1,822	3,070
Native labourers employed „	2,000	19,733	20,352	20,068
Territorial revenue £	21,813	123,323	135,418	147,018
„ expenditure £	45,335	166,330	177,932	189,000
Value of imports £	87,776	514,808	826,412	539,152
„ exports £	63,756	490,158	510,672	492,775
Area of plantations acres	1,467	59,224	60,557	63,609
Meteorological stations established No.	3	21	21	21
Gold yield fine oz.	12,439	35,808	30,422	(a) 10,348

(a) Nine months ended March, 1941.

TRUST TERRITORY OF NEW GUINEA.

§ 1. General Description.

The land area of the Territory of New Guinea is about 93,000 square miles and the area including the sea within the lines drawn through its extreme outer points is more than 1,000,000 square miles. As the coast of the Territory has not been completely surveyed, the areas of the various islands are known only approximately.

The approximate areas of the principal islands together with the small islands adjacent thereto are as follows :—

AREA OF TERRITORY OF NEW GUINEA.

Particulars.	Approximate Area.
	Sq. miles.
North-East New Guinea (also called "The Mainland") ..	69,700
Bismarck Archipelago—	
New Britain	14,600
New Ireland	3,340
Lavongai	460
Admiralty Islands	800
Solomon Islands—	
Bougainville	3,880
Buka	220
Total	93,000

Information regarding physiography and climate will be found in Official Year Book, No. 22, p. 613, and in the *Official Handbook of the Territory*.

§ 2. Government.

1. **The Military Occupation (1914–18 War).**—On 17th September, 1914, the Acting Governor of German New Guinea signed terms of capitulation with the officer commanding a Naval and Military Expedition sent from Australia, and thereafter the Territory was under military administration until the establishment of Civil Government in May, 1921.

2. **1939–45 War.**—For the events following the outbreak of the Pacific War and the formation of the Papua-New Guinea Provisional Administration in 1945, see p. 345 *ante*.

3. **Mandate (1920).**—In 1919 it was decided by the Principal Allied and Associated Powers that the Territory of New Guinea, which Germany gave up as one of the terms of peace, should be entrusted under Mandate from the League of Nations to the Government of the Commonwealth. The issuing of the Mandate was, however, delayed, and it was not until 17th December, 1920, that its terms were settled, and the Mandate itself did not reach Australia until April, 1921.

The terms of the Mandate are given in Official Year Book No. 33 (see p. 264).

4. **Trusteeship (1946).**—The Commonwealth Government undertook to place the Territory of New Guinea under the Trusteeship System established under the Charter of the United Nations. The Trusteeship Agreement for the Territory, under which the Government of Australia is the sole administering authority, was approved by the General Assembly of the United Nations Organization on 13th December, 1946. The terms of the Agreement are as follows :—

Preamble: The Territory of New Guinea has been administered in accordance with Article 22 of the Covenant of the League of Nations and in pursuance of a Mandate conferred upon His Britannic Majesty and exercised on his behalf by the Government of the Commonwealth of Australia.

The Charter of the United Nations, signed at San Francisco on 26th June, 1945, provides by Article 75 for the establishment of an international trusteeship system for the administration and supervision of such territories as may be placed thereunder by subsequent individual agreements.

The Government of Australia now undertakes to place the Territory of New Guinea under the trusteeship system, on the terms set forth in the present Trusteeship Agreement.

Therefore, the General Assembly of the United Nations, acting in pursuance of Article 85 of the Charter, approves the following terms of trusteeship for the Territory of New Guinea in substitution for the terms of the Mandate under which the Territory has been administered :—

Article 1. The Territory to which this trusteeship agreement applies (hereinafter called the Territory) consists of that portion of the island of New Guinea and the groups of islands administered therewith under the Mandate dated 17th December, 1920, conferred upon His Britannic Majesty and exercised by the Government of Australia.

Article 2. The Government of Australia (hereinafter called the Administering Authority) is hereby designated as the sole authority which will exercise the administration of the Territory.

Article 3. The Administering Authority undertakes to administer the Territory in accordance with the provisions of the Charter and in such a manner as to achieve in the Territory the basic objectives of the international trusteeship system, which are set forth in Article 76 of the Charter.

Article 4. The Administering Authority will be responsible for the peace, order, good government and defence of the Territory and for this purpose will 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 its deems desirable, such laws of the Commonwealth of Australia as it deems appropriate to the needs and conditions of the Territory.

Article 5. It is agreed that the Administering Authority, in the exercise of its powers under Article 4, will be at liberty to bring the Territory into a customs, fiscal or administrative union or federation with other dependent territories under its jurisdiction or control, and to establish common services between the Territory and any or all of these territories, if (in its opinion) it would be in the interests of the Territory and not inconsistent with the basic objectives of the trusteeship system to do so.

Article 6. The Administering Authority further undertakes to apply in the Territory the provisions of such international agreements and such recommendations of the specialized agencies referred to in Article 57 of the Charter as are, in the opinion of the Administering Authority, suited to the needs and conditions of the Territory and conducive to the achievement of the basic objectives of the trusteeship system.

Article 7. The Administering Authority may take all measures in the Territory which it considers desirable to provide for the defence of the Territory and for the maintenance of international peace and security.

Article 8. The Administering Authority undertakes that in the discharge of its obligations under Article 3 of this agreement—

1. It will co-operate with the Trusteeship Council in the discharge of all the Council's functions under Articles 87 and 88 of the Charter.
2. It will, in accordance with its established policy—
 - (a) take into consideration the customs and usages of the inhabitants of New Guinea and respect the rights and safeguard the interests both present and future of the indigenous inhabitants of the Territory and, in particular, ensure that no rights over native land in favour of any person not an indigenous inhabitant of New Guinea may be created or transferred except with the consent of the competent public authority ;
 - (b) promote, as may be appropriate to the circumstances of the Territory, the educational and cultural advancement of the inhabitants ;
 - (c) assure to the inhabitants of the Territory, as may be appropriate to the particular circumstances of the Territory and its peoples, a progressively increasing share in the administrative and other services of the Territory ;
 - (d) guarantee to the inhabitants of the Territory, subject only to the requirements of public order, freedom of speech, of the press, of assembly, of petition, freedom of conscience and worship and freedom of religious teaching.

5. **Administration.**—For particulars of the administration of the Territory of New Guinea prior to the setting-up of the Papua-New Guinea Provisional Administration see Official Year Book No. 36 and earlier issues.

For administrative purposes the Territory is divided into the eight following districts :—New Britain, comprising New Britain and adjacent islands ; Morobe, Madang, Central Highlands, and Sepik on the mainland ; New Ireland, comprising New Ireland, Lavongai and adjacent islands ; Manus, comprising the Admiralty Group ; and Kieta, the former German portion of the Solomon Islands. Each district is under a District Officer, assisted by a small staff.

6. **Reports to the League of Nations.**—Twenty reports to the League of Nations, in compliance with Article 6 of the Mandate, were published, the last being for the year ended 30th June, 1940.

§ 3. Population.

1. **White Population.**—The number of the white population for various years since 1885 is shown in the following table. At 30th June, 1947, the white population was 3,412, of whom 2,604 were males and 808 females.

TERRITORY OF NEW GUINEA : WHITE POPULATION.

Year.	Number.			Year.	Number.		
1885	64	1939	..	..	4,608
1933	3,191	1940	..	..	4,399
1937	4,286	1941	..	..	4,101
1938	4,445	1947	..	..	3,412

2. **Asiatic Population.**—Malays seem to have been the first Asiatics brought by the Germans to German New Guinea; 37 of them were recorded on the mainland in 1885. About 1889 the New Guinea Company began to bring Chinese, Malays and Javanese in growing numbers from Singapore and Java to work on the plantations; in the year 1892 there were about 1,800 Asiatics on the mainland. By 1898 the number had decreased to 300 or 400, but it had risen to 1,830 at the time of the 1933 Census and at 30th June, 1941, numbered 2,228, of whom 2,199 were Chinese and 29 Japanese. The Japanese at the 1933 Census numbered 73. The Chinese provide the skilled artisans of the Territory, and many of them are small traders. At the census of 30th June, 1947, non-Europeans numbered 2,215, of whom Chinese (1,769) and Filipinos (276) constituted the major proportion. Half-castes at the same date numbered 573.

3. **Native Population.**—As a large portion of the Territory is not under Government influence it is not possible to obtain reliable figures in regard to the number of the natives.

The following tables shows those enumerated as at 30th June, 1941 :

TERRITORY OF NEW GUINEA : NATIVE POPULATION AT 30th JUNE, 1941.

(Including Indentured Labourers.)

District.	Children.			Adults.			Total.		
	Males.	Females	Persons.	Males.	Females	Persons.	Males.	Females	Persons.
Kieta ..	11,307	9,912	21,219	15,618	15,218	30,836	26,925	25,130	52,055
Madang ..	37,406	30,897	68,303	58,786	54,901	113,687	96,192	85,798	181,990
Manus ..	3,259	2,749	6,008	4,235	3,891	8,126	7,494	6,640	14,134
Morobe ..	29,334	26,348	55,682	42,541	39,076	81,617	71,875	65,424	137,299
New Britain ..	21,737	19,349	41,086	34,563	25,938	60,501	56,300	45,287	101,587
New Ireland ..	7,619	6,422	14,041	15,791	11,723	27,514	23,410	18,145	41,555
Sepik ..	32,223	27,772	59,995	44,049	45,060	89,109	76,272	72,832	149,104
Total ..	142,885	123,449	266,334	215,583	195,807	411,390	358,468	319,256	677,724

(a) Includes 6,560 Mission scholars, constabulary, etc., not distributed.

The number of natives indentured as labourers on 31st March, 1947, was 7,209. In addition, there were 6,889 non-indentured employees.

§ 4. The Natives.

1. **General.**—The natives are divided into two main groups—Melanesian and Papuan—the former, with a few exceptions, constituting the population of the Bismarck Archipelago, the Solomon Islands, and the coastal districts of the New Guinea mainland, the latter inhabiting the interior of the mainland. Odd tribes of Negritos exist in the mountains of New Guinea. There is a strain of Papuan, and, possibly, of Polynesian blood in the Admiralty Islanders, while the Western Islanders and the inhabitants of the small islands east and south-east of New Ireland are Micronesians. (See *Official Year Book*, No. 16, p. 670, and *Official Handbook of the Territory*, Pt. V.)

2. **Land Tenure.**—Native customs in regard to the ownership and use of land may be briefly outlined as follows. The ownership and use of the land are generally individual, although, in some rare cases, particularly in North Bougainville, the communal system

exists. In districts where a great many coco-nut palms are growing on native lands it is often found that the land is the property of a chief or of one of the old men of the tribe, and that the coco-nut palms growing thereon are divided into small groves, and are the property of several members of the tribe. Customs with regard to the use of unoccupied forest lands vary. Right of inheritance to land is almost invariably through the maternal branch. (See Official Year Book No. 17, p. 634, and *Official Handbook of the Territory.*)

3. **Research Work.**—During the German occupation of the Territory a certain amount of research work was carried out, partly by scientific expeditions, and partly by missionaries and by a local resident. For many years an anthropologist was engaged consolidating the work already done, and extending it throughout the Territory. The results of his work appear in special reports.

4. **Education.**—Provision for the education of natives is made in the Ordinance of 1922-1938 under which the Administrator is authorized to establish schools, grant money therefor, prescribe instruction, and arrange for the training of teachers and other matters. The expenditure on native education in 1940-41 was £6,827. Though the natives are liable to pay education tax, none has been collected since 1922-23. The European teachers have been seconded from the Education Department of Queensland. During the year ended 30th June, 1941, the following schools were maintained by the Administration:—Native elementary schools and native day schools, Malagura, Tavui, Nodup and Pila Pila, near Rabaul, and Kavieng, and a native elementary school at Chimbu (Morobe); a native technical school, Malaguna; a native agricultural school, Keravat. In addition there are schools for Europeans at Rabaul, Kavieng and Wau. A new day school for European children was erected at Bulolo in the Morobe District during the year.

A considerable amount of educational work is carried out by the missions, the schools maintained being of three classes: (a) elementary schools in villages; (b) intermediate boarding schools at head-quarters; and (c) high schools and technical schools. At 30th June, 1941, the various missions maintained 31 training centres, 51 high and technical schools, 144 elementary schools, and 2,397 village schools. The pupils numbered 65,598 at 30th June, 1940.

The missions also conduct schools for Chinese children in Rabaul and Kavieng.

The granting of assistance to mission schools is provided for by the Education Ordinance, but no grants have hitherto been made.

5. **Health of Natives.**—In a report dealing with the health of the natives in New Britain submitted before the 1914-18 War, it was stated that "the natives in the districts examined are not degenerate; but they are sick". The same qualification undoubtedly applies to the native population throughout the Territory.

The diseases taking the greatest toll of native life directly or through lowering vitality are—Malaria, respiratory diseases, dysentery, frambœsia, yaws, tropical ulcer, hookworm, filariasis and beriberi.

The Health Department of the Administration consists of (i) a staff of medical officers, medical assistants and orderlies; (ii) native hospitals at Government stations and sub-stations (its staff also supervises hospitals on plantations); (iii) a laboratory; (iv) training system for natives as medical orderlies; (v) scheme of distribution of medical necessaries; and (vi) leprosaria. It also undertakes the general oversight of sanitary conditions.

6. **Missions.**—Several mission societies have operated in the Territory. The Society of the Sacred Heart of Jesus worked in the Bismarck Archipelago, the Society of the Holy Ghost, the Franciscan Order and the Society of the Divine Word along the coast of North-East New Guinea from Sek to the Dutch border, and the Marists in Buka and Bougainville. These are Roman Catholic Missions. The Protestant Missions are the Australian Methodist Mission in New Britain and New Ireland, the New Zealand Methodist Mission in Bougainville, the Liebenzell Mission in the Admiralty Group, the Lutheran Mission (supported and staffed by the Lutheran Churches in Australia and America) which worked along the coast of North-East New Guinea from Sek to the

Papuan border, the Melanesian Mission (Anglican) in New Britain, and the Seventh Day Adventist Mission in Bougainville and New Britain. All these societies include teaching and planting with their missionary work.

§ 5. Land Policy.

1. **Acquisition of Land.**—A short account of the modes of acquiring land appears in Official Year Book No. 19, p. 590, but considerations of space preclude its repetition.

2. **Land Policy of the Present Administration.**—The Land Ordinance 1922-1941 provides for sale as well as leasing of land belonging to the Administration. The divergence from the policy usually adopted by the British in the Pacific (including Papua), which provides for leasehold only, was made with a view to disposal by sale of the freehold properties taken over from Germans, and which until 1927 were controlled by the Expropriation Board. The general land policy is based on the leasehold principle. All grants or leases contain a reservation to the Administration of all minerals, including mineral oil. Leases are for a term of 99 years except where a shorter period is provided. Lands, except in towns, are classified by a Land Board into land suitable for agriculture (Class A) and land not so suitable (Class B), and the unimproved value of the land is assessed. In the case of agricultural leases for more than 30 years the rent is 5 per cent. of the unimproved value, with power to remit during the first ten years, and subject to reappraisal every 20 years. Pastoral leases of lands of Class B may be granted for terms not exceeding 30 years, at a rental of 2½ per cent. of the unimproved value, subject to reappraisal every 10 years. Agricultural leases are subject to improvement conditions and pastoral leases to stocking conditions. Leases of town allotments may be granted for terms not exceeding 99 years, at a rent to be fixed at such percentage of the unimproved value as is prescribed.

The following table shows the leases in force on 30th June, 1941:—

TERRITORY OF NEW GUINEA : LEASES IN FORCE, 30th JUNE, 1941.

Tenure.	No. of Leases.	Area.
		Acres.
Agricultural leases	442	141,628
Pastoral leases	3	9,496
Residence and business leases	320	334
Special leases	56	707
Mission leases	441	1,542
Chinatown leases	213	58
Long period leases from German regime ..	115	5,189

The area of the Territory is estimated at 59,517,593 acres, of which 906,763 acres had been purchased from the natives by the Administration to 30th June, 1941. This alienated land comprised 521,057 acres of freehold, 158,952 acres of leasehold, 200,144 acres held by the Administration, and 26,610 acres vested in the Director of District Services and Native Affairs as a trustee for natives. The area alienated in 1940-41 was 3,360 acres.

3. **Registration of Titles.**—Under German law there was a system of registration of titles in a "Ground Book," but registration did not confer an indefeasible title. The German system has been replaced by one modelled on the Torrens plan, embodied in an Ordinance entitled the Lands Registration Ordinance 1924-1939.

§ 6. Production.

1. **General.**—The natives have been described as a people of peasant proprietors, practising a crude form of agriculture. Their gardens and groves furnish but a small amount of produce for oversea trade, and the exports of the Territory grew only as European plantations were made, and natives were employed to work them.

Scientific methods of cultivation have been adopted, and production has been greatly increased thereby. Bounties are paid by the Commonwealth Government on cocoa beans and shells, hemp and coir, sago, vanilla beans, bamboos and rattans, spices and kapok, produced in the Territory and exported direct to Australia for home consumption.

2. **Agriculture.**—(i) *General.* Under the supervision of the Director of Agriculture soil analysis has been undertaken in different parts of the Territory and an agricultural chemist was appointed in 1939 to carry out this specialized work. A demonstration plantation has been established at Keravat where natives are being trained in tropical agriculture. A laboratory and a herbarium have been established, an entomologist and economic botanist engaged, and travelling inspectors appointed for the purpose of combating plant pests. Experiments are being carried out with a variety of crops. The foregoing measures, in conjunction with the Papua and New Guinea Bounties Act 1937 and the preference given by the Commonwealth Tariff to certain produce grown in the Territories, have greatly stimulated tropical agriculture.

(a) *Coco-nuts.* Coco-nut growing was, prior to the outbreak of war in September, 1939, by far the most important industry in the Territory, but low prices followed by the collapse of the world copra market checked expansion, the exports in 1940-41 being valued at only £266,970 compared with £504,627 in the previous year and with £1,231,309 (76,409 tons) in the peak year 1936-37.

(b) *Tobacco.* In 1940-41 many planters were cultivating tobacco to cater for the local market. Two companies manufactured tobacco suitable for issue to the natives or for trade. In some instances planters issued the dry leaf to the native labourers who make their own cigars and cigarettes.

(c) *Cotton.* In 1924-25 the Government obtained 1,615 lb. of cotton seed, and cultivation was tried at the experimental stations as well as by private planters, including a few natives, but little progress has been made.

(d) *Kapok.* During 1940-41 the cultivation of kapok continued on a small scale, the local demand being more than sufficient to absorb the available crop.

(e) *Cocoa.* Greater interest is being displayed in the cultivation of cocoa. The quality of the beans produced is good, and 292 tons were exported during 1940-41.

(f) *Desiccated Coco-nut.* Three desiccated coco-nut factories have been established in the Territory. The quantity exported during 1940-41 was 1,877 tons, an increase of 96 tons over the previous year's figure.

(g) *Coffee.* In 1940-41 two plantations of coffee were in satisfactory condition and were commencing to yield. Seventy-four tons of coffee of good quality, valued at £5,525 were exported during that year and were well received on the Australian market.

(h) *Rubber.* The tapping of rubber trees was increased during 1940-41 mainly because of the satisfactory price of rubber.

(i) *Other Crops.* The climate and soil of New Guinea are suitable for the cultivation of rice, Manilla hemp, cinchona, nutmeg, vanilla, peanuts and maize, but hitherto their cultivation has either not advanced beyond the experimental stage or has been attempted on a small scale only. Sugar-cane of many varieties flourishes, and the natives cultivate extensive areas for their own use; other indigenous food-producing plants include the sago palm and the cassava.

(j) *Plants Yielding Power Alcohol.* It seems probable that alcohol for power purposes will be produced economically. The sago palm and nipa palm yield as much as 60 gallons per ton, and in places are abundant.

(ii) *Plantations.* During 1934-35 the Administration disposed of the several plantations maintained by it with the exception of the demonstration plantation at Keravat. The principal crops grown on plantations are shown in the table hereunder for the year ended 30th June, 1940. The figures are not complete, but they give an indication of the progress of agriculture in the Territory to that date.

TERRITORY OF NEW GUINEA : PLANTATIONS, 1939-40.
(Excluding Native Reserves.)

Crop.	Area Planted.(a)		Area Bearing.	Yield.
	Acres.	Acres.		
Coco-nuts	261,676	210,954	(b)71,583	
Cocoa	5,827	2,301	570	
Coffee	2,792	1,935	56	
Rubber	2,481	1,591	95	
Kapok	556	321	15	
Native Food (c)	3,289	1,453	2,099	
Other	912	106	..	
Total	277,533	218,661		

(a) Includes inter-planted crops.

(b) Copra; desiccated coco-nut, 696 tons, also produced.

(c) Native food of all kinds is mostly grown between young coco-nut palms not yet in bearing.

The area of plantations for various years from 1885 to 1940 is shown hereunder. As in the case of the previous table, the figures exclude native plantations :—

TERRITORY OF NEW GUINEA : PLANTATIONS.

Year ended June—	Total Area.	Area Planted.	Area under Coco-nuts (including Area not in Bearing).
	Acres.	Acres.	Acres.
1885	148	(a)	(a)
1895	2,152	(a)	(a)
1911	58,837	(a)	51,510
1914	84,488	(a)	76,847
1924	411,275	(a)	172,373
1932	460,942	216,730	211,882
1937	487,375	244,066	234,189
1938	496,118	262,547	239,976
1939	504,000	264,877	253,235
1940	525,965	277,533	261,676

(a) Not available.

3. **Live Stock.**—The coco-nut plantations are now of a sufficient area to maintain numerous live stock, the stock being depastured on the indigenous grasses growing between the rows of palms. In 1939-40 there were 1,323 horses, 20,494 cattle, 1,184 sheep, 9,327 goats, and 6,160 pigs (excluding the large number of pigs kept by the natives).

4. **Timber.**—An investigation of the timber resources was made by the Commonwealth Inspector-General of Forests, and a report in connexion therewith was published in 1926. According to this report, while offering no prospects of immediate gain to large sawmilling interests, the Territory possesses forest potentialities of a high order. Surveys of the timber resources of the Morobe District indicate that there are approximately 500 million super. feet of timber in the pine forests of the Bulolo Valley. This is supporting three sawmills cutting for local use. It is proposed to harvest this forest over a period of years and progressively re-forest the area. Sawmills controlled by the Administration are established at Lae, Madang and Keravat, and are supplying local requirements. The log export trade has not yet recovered, but in 1947 a first shipment of some 400,000 super. feet of timber was made. When shipping is again available it is expected that the export trade will rapidly overtake the pre-war figure of 6½ million super. feet.

The Forestry Ordinance 1936-1937 provides for the issue of permits and licences to cut timber, but at present the policy is to call tenders for timber areas as they can be made available. Timber growing on native lands cannot be acquired by private purchasers directly from the natives, but must be obtained through the Administration. A royalty is payable on all forest produce taken under a permit or licence. Some 26 permits, which were in force when the war intervened, have been extended to cover the five-year period of suspension, and cover approximately 200,000 acres.

5. Fisheries.—The wealth of the waters of the Territory has been little exploited. Fish is caught at many places along the coast to supply the small local demand of the natives and of the few resident Europeans. Pearl-shell is exported in fair quantities, while bêche-de-mer, trochus-shell and tortoise-shell also figure amongst the exports. The value of marine products exported in 1940-41 was £9,255, compared with £11,956 in the previous year.

6. Mining.—Except for gold there has been little mining in New Guinea. Gold has been discovered on the Waria, the Ramu, the Francisco, and the Markham Rivers, and in tributaries of the Sepik River. Rich gold was discovered in the Morobe District in 1926; the field is situated about 60 miles (35 by air) inland from Salamaua, the nearest coastal port. Communication was established with the coast by a regular aeroplane service. Osmiridium is reported to have been found on the upper tributaries of the Ramu, and platinum on the Kebenau River. Copper has been discovered in the form of chalcopyrite and malachite in the Baining District. Iron occurs as magnesite and hæmatite in the Baining District, apparently in large quantities. Sulphur occurs in several localities in the volcanic regions of the Territory. Brown coal has been found on the mainland in the vicinity of Astrolabe Bay, and in the southern portion of New Ireland.

Mining is regulated by the Mining Ordinance 1928-1940. Copies of the Ordinance and Regulations made thereunder may be obtained from the Secretary, Department of External Territories, Canberra.

The following table shows the production of gold during the five years 1936-37 to 1940-41 :—

TERRITORY OF NEW GUINEA : GOLD PRODUCTION.

Year.				Quantity.	Value.(a)
				Fine oz.	£
1936-37	..	..	..	223,120	1,938,694
1937-38	..	..	..	223,929	1,935,954
1938-39	..	..	..	237,705	2,153,018
1939-40	..	..	..	278,922	2,917,526
1940-41	..	..	..	263,097	2,808,835

(a) Valued at average price realized for fine gold in Australia.

Since the high market price of gold has been maintained, the search for profitable areas in various parts of the Territory has not diminished and systematic testing by drilling and other means has been undertaken on alluvial areas previously considered unworthy of attention. Although there were no new discoveries of alluvial or reef gold during 1941, work proceeded steadily on the known gold-bearing areas.

A search for petroleum has been actively conducted on the mainland. The Petroleum Ordinance 1936 has been superseded by the Petroleum (Prospecting and Mining) Ordinance 1938-1939, which has facilitated the carrying out of geological surveys and prospecting activities generally. On 30th June, 1941, two permits to search for petroleum were in force.

§ 7. Trade.

1. Customs Tariff.—With the exception of high revenue rates on ale, spirits, beverages and tobacco and a duty of 3d. per gallon on petrol, kerosene and lubricating oil, the tariff of the Territory of New Guinea is generally on a 10 per cent., ad valorem.

basis. Only 72 items are mentioned in the import schedule, of which approximately 60 are on the free list consisting of articles for use by the Administrator, the Trade Commissioners and the Missions, and medical supplies, live stock, meat, fish, fresh fruit, vegetables and certain essential manufactures for use in the Territory. The rate of duty for the remaining items as well as for all other goods not mentioned in the schedule is 10 per cent. ad valorem. No preferential tariff rates are provided in the schedule.

Export duties are levied on copra, trepang, shell, feathers and sulphur. When the price, or the assessed value of copra is less than £5 15s. per ton no tariff is imposed, but when the price exceeds this figure but is not more than £11 per ton 2s. 6d. per ton is charged; thereafter the charge increases on a sliding scale to 11s. 6d. per ton as the price rises to £18, with an additional 2s. per ton for every further increase of £1 in the price of copra. Imports in 1940-41 amounted to £962,129 on which £147,452 was received in import duties, while £590 was paid in export duties and royalties.

Provision is made in the Australian Customs Tariff (Papua and New Guinea Preference) 1936 for the free entry into Australia of certain goods produced and imported direct from the Territory of New Guinea (see Chapter XI. "Trade"), and a proclamation of 25th September, 1935, exempted from primage duty goods produced or manufactured in the Territory.

2. Imports and Exports.—Values of the principal items of imports and exports for the years 1936-37 to 1940-41 are shown below. The values of exports are expressed in Australian currency, but it is not possible to determine accurately the currency of the £ in the table of imports.

TERRITORY OF NEW GUINEA : IMPORTS AND EXPORTS.

Particulars.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
IMPORTS.					
	£	£	£	£	£
Foodstuffs of animal origin ..	142,943	157,391	152,023	165,637	127,464
Foodstuffs of vegetable origin ..	186,732	190,657	158,895	164,751	145,070
Spirituos and alcoholic liquors ..	50,550	52,385	54,969	50,161	46,753
Tobacco and preparations thereof	59,045	58,155	63,122	61,160	51,931
Live animals	1,870	1,843	1,328	664	508
Animal substances	1,227	961	1,124	1,587	179
Vegetable substances and fibres ..	3,539	4,191	3,307	3,640	2,386
Apparel, textiles and manufac- tured fibres	152,923	182,590	138,077	130,360	93,164
Oils, fats and waxes	56,982	72,080	65,901	97,370	72,153
Paints and varnishes	14,422	11,044	10,934	9,932	7,818
Stones and minerals	14,039	16,030	8,164	4,314	5,439
Metals, manufactures and mach- inery	431,216	635,991	470,781	387,125	252,750
Rubber and leather and manu- factures thereof	13,810	15,663	16,365	21,668	16,739
Wood and wicker	28,860	33,505	29,195	20,617	9,105
Earthenware, cement, glass, etc.	17,113	14,251	13,215	13,549	8,383
Paper and stationery	22,917	24,026	22,829	24,169	19,122
Jewellery and fancy goods	11,282	21,328	14,133	10,231	10,045
Optical and scientific instruments	18,610	21,377	22,318	14,750	17,140
Drugs, chemicals and fertilizers ..	44,907	46,878	46,163	45,101	45,539
Miscellaneous	38,636	50,561	47,992	41,311	30,441
Specie	80,400	31,500	..	..	..
Total	1,392,023	1,642,467	1,340,835	1,268,097	962,129

TERRITORY OF NEW GUINEA : IMPORTS AND EXPORTS—*continued.*

Particulars.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
EXPORTS.					
	£	£	£	£	£
Copra	1,231,309	847,734	727,949	504,627	266,970
Cocoa	6,600	4,475	6,580	11,340	11,680
Ivory nuts	767	162	..	7	..
Trepang	1,350	2,250	2,025	1,680	1,870
Shell (trochus, etc.)	26,960	12,478	10,560	10,227	7,383
Tortoise-shell	50	91	89	49	2
Gold	2,020,667	2,028,980	2,129,263	3,021,731	2,797,226
Desiccated coco-nut	86,930	73,423	69,960	89,050	93,850
Rubber .. .. .	..	242	4,050	13,328	19,027
Miscellaneous	45,073	25,334	23,419	29,081	55,976
Total	3,419,706	2,995,169	2,973,895	3,681,120	3,253,984

3. Direction of Trade.—Particulars of the countries of origin of the imports into the Territory of New Guinea and of destination of the goods shipped therefrom during the years 1938-39 to 1940-41, are given in the following table.

TERRITORY OF NEW GUINEA : DIRECTION OF TRADE.

Country.	Imports.			Exports.		
	1938-39.	1939-40.	1940-41.	1938-39.	1939-40.	1940-41.
	£	£	£	£	£	£
Australia ..	563,594	583,291	489,369	2,326,269	3,283,246	3,039,767
United Kingdom	154,501	119,042	79,136	337,605	220,200	47,599
Other British ..	48,163	55,306	63,745	..	..	29,976
China	69,831	87,412	43,317	17,428	11,115	1,870
Japan	46,627	34,921	28,063	7,445	7,266	28,822
France	3,806	2,523	1,275	6,193	12,291	..
Germany	71,245	17,430	4,595	31,829	2,669	..
U.S.A.	265,591	247,189	167,437	..	62,529	21,131
Other	117,477	120,983	85,192	247,126	81,804	84,819
Total	1,340,835	1,268,097	962,129	2,973,895	3,681,120	3,253,984

The bulk of the imports into the Territory of foodstuffs, beer, coal, paints, boats, launches and soap comes from Australia, which also supplies large quantities of machinery and metal manufactures, drugs, explosives, tobacco, cigarettes, apparel, boots, leather manufactures, timber, stationery and polishes.

§ 8. Shipping and Communication.

1. **General.**—Prior to the Japanese invasion a subsidized mail service between New Guinea and Australia was maintained by Burns, Philp and Coy. Ltd., which also operated a two-monthly non-subsidized service between Australia, New Guinea, Hong Kong and Saigon. The Dutch Royal Packet Navigation Company's vessel called at Rabaul every five weeks *en route* from Singapore to Australia. Shipping within the Territory is regulated by the Shipping Ordinances 1936 and the Coastal Shipping, Ports and Harbours Regulations.

2. **Oversea Tonnage in 1940-41.**—The number and net tonnage of oversea vessels which entered and cleared the Territory during 1940-41 are shown hereunder.

TERRITORY OF NEW GUINEA : SHIPPING, 1940-41.

Nationality.	Vessels Entered.		Vessels Cleared.		Total.	
	Number.	Net Tonnage.	Number.	Net Tonnage.	Number.	Net Tonnage.
American	4	6,132	4	6,132	8	12,264
British	67	171,669	68	174,684	135	346,353
Dutch	5	12,090	5	12,090	10	24,180
Greek	1	3,209	1	3,209	2	6,418
Japanese	14	15,452	14	15,452	28	30,904
Norwegian	1	1,482	1	1,482	2	2,964
Panamanian	1	1,321	1	1,321	2	2,642
Thai	1	1,995	1	1,995	2	3,990
Total	94	213,350	95	216,365	189	429,715

3. **Local Shipping.**—Inter-island shipping services were maintained by the steamers and motor vessels of Burns, Philp and Coy. Ltd., and W. R. Carpenter and Coy. Ltd. A number of smaller motor vessels were also engaged in this trade.

4. **Land Communication.**—Means of communication on land are scanty. There are no railways. Roads lead from Rabaul to places within 30 or 40 miles, and there is a road 200 miles long in New Ireland and also a road from Lae to Wau in the Morobe District. Elsewhere there are few roads outside plantations and the District Officers' station. The large rivers of the mainland are as yet but little used.

There is a high-power wireless station at Rabaul, and low-power installations at some out-stations.

5. **Communication by Air.**—The discovery of gold in New Guinea resulted in great aviation activity in the vicinity of the gold-fields. On account of the mountainous country and dense undergrowth between the coast and the gold-fields the task of transporting food and stores to the fields and of bringing the gold to the seaboard by land is an irksome and costly process. The fields are situated about 60 miles (35 by air) inland from Salamaua, and whereas aircraft cover the distance in less than an hour, the nature of the country is such that a journey by other means occupies more than a week. During 1931-32 an air service was established between Port Moresby and the gold-fields, reducing the time occupied by the journey from Australia by about seven days. At 30th June, 1941, 41 aeroplanes were operating in New Guinea.

A weekly subsidized air service between Sydney and Rabaul came into operation on 30th May, 1938, and ceased in January, 1942. Passengers and mails were carried and the route followed was Sydney, Brisbane, Rockhampton, Townsville, Cairns, Cooktown, Port Moresby, Salamaua and Rabaul. Qantas now operates a tri-weekly air service between Australia and Port Moresby, in Papua, and Lae, in New Guinea, with weekly extension to Rabaul.

Further reference to New Guinea air activities is contained in Chapter V. "Transport and Communication" (see p. 196).

§ 9. Revenue and Expenditure.

Details of the revenue collected from various sources and the expenditure during each of the years 1936-37 to 1940-41 are given hereunder :—

TERRITORY OF NEW GUINEA : REVENUE AND EXPENDITURE.

Particulars.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41
REVENUE.					
Taxation—	£	£	£	£	£
Customs(a)	233,657	247,062	214,629	207,261	158,221
Licences	12,654	13,087	13,796	12,667	10,408
Native Head Tax	21,859	20,481	21,417	20,025	21,786
Stamp duties	6,861	6,182	6,467	5,978	3,906
Postal	25,208	47,240	27,163	20,340	15,583
Lands	17,006	16,179	18,416	15,281	16,357
Mining—					
Royalty on gold	97,622	97,464	107,975	143,906	119,792
Other	24,154	19,479	16,403	40,298	50,995
Fees and fines	24,377	19,285	17,947	16,155	13,615
Sales of stores, etc.	2,605	2,472	2,170	2,428	2,011
Miscellaneous	15,067	17,467	14,453	12,351	11,076
Total	481,070	506,398	460,836	496,690	423,750
EXPENDITURE.					
	£	£	£	£	£
Treasury and Audit	66,177	52,570	54,736	60,628	45,530
Agriculture	15,851	17,722	19,424	20,337	19,475
Public Justice	31,209	32,809	34,245	34,530	31,606
Public Health	73,191	80,377	89,784	85,207	80,162
Public Works	29,228	30,954	34,802	28,097	22,730
District Services and Native Affairs	109,705	115,648	125,876	127,296	106,107
New Works	66,223	70,011	69,146	63,257	48,509
Native Welfare	6,177	7,185	6,453	6,621	6,078
Other	62,357	610,337	68,114	74,641	71,595
Total	460,118	508,613	502,580	500,614	431,792

(a) Includes harbour dues, wharfage and storage fees.

(b) Includes £40,011, expenditure due to the volcanic eruption.

For information for 1945-46 see Papua, § 7, p. 352.

NAURU (Trusteeship).

1. General.—Nauru is an oval-shaped atoll about 12 miles in circumference, having an area of about 5,263 acres, of which approximately two-thirds is phosphate-bearing. It is situated in longitude 167° E., and is 26 miles south of the Equator. Portion of the island between the sandy beach and the coral cliffs is fertile, and it is there that the Nauruans reside. With the exception of a small fringe around an inland lagoon, the plateau which contains the phosphate deposits possesses few food plants and is uninhabited, but portion of the area has been planted with fruit trees. The system

of land tenure is governed by an old custom, and, with the exception of small allotments held by the Government, the British Phosphate Commissioners and the Missions, the whole of the island is owned by individual natives. The average shade temperature ranges between 72° and 95° F., and the average humidity between 70 and 80 per cent. The average rainfall is 85 inches, but droughts occasionally occur, and in 1916 and 1917 only 40 inches were received for the two years. Similarly in 1933 only 20.94 inches were recorded.

2. *History.*—The island, discovered by Captain Fearn in 1798, was annexed by Germany in 1888, and prior to 1914 was part of the protectorate of German New Guinea.

In November, 1914, Nauru was occupied by a detachment from the Australian Naval and Military Expedition at Rabaul, and it was included in the cession of colonies made by Germany in 1919 to the Allied and Associated Powers, whose representatives agreed that a mandate for its administration should be conferred upon His Britannic Majesty. The mandate was confirmed by the Council of the League of Nations on the 17th December, 1920. On 2nd July, 1919, the British, Australian and New Zealand Governments agreed that the administration (which, since 1915, had been in charge of an official appointed by the British Colonial Office) should be vested in an Administrator who took up duty in June, 1921. The agreement between the three Governments was approved by the Commonwealth Parliament in the Nauru Island Agreement Act 1919, and is shown in the Schedule to that Act. A supplementary agreement concerning Nauru was drafted in May, 1923, and ratified by the Commonwealth Parliament by the Nauru Island Agreement Act 1932.

On 25th August, 1942, nine months after the outbreak of the war in the Pacific, communications with Nauru ceased, and the island was occupied by Japanese forces. It was re-occupied by a joint Australian Naval and Military Force on 14th September, 1945, and civil administration was re-established on 1st November, 1945.

3. *Trusteeship Agreement.*—On 1st November, 1947 the General Assembly of the United Nations approved a Trusteeship Agreement for the Territory of Nauru submitted by the Governments of Australia, New Zealand and the United Kingdom in substitution for the terms of the mandate under which the Territory had been administered. This Agreement designates the Governments of Australia, New Zealand and the United Kingdom as the Joint Administering Authority, with the Government of Australia continuing, on behalf of the Administering Authority, to exercise full powers of legislation, administration and jurisdiction in and over the Territory. The terms of the Agreement are as follows:—

Preamble: In pursuance of a Mandate conferred upon His Britannic Majesty, the Territory of Nauru has been administered in accordance with Article 22 of the Covenant of the League of Nations by the Government of Australia on the joint behalf of the Governments of Australia, New Zealand and the United Kingdom of Great Britain and Northern Ireland.

The Charter of the United Nations, signed at San Francisco on 26th June, 1945, provides by Article 75 for the establishment of an international trusteeship system for the administration and supervision of such territories as may be placed thereunder by subsequent individual agreements.

His Majesty desires to place the Territory of Nauru under the trusteeship system and the Governments of Australia, New Zealand and the United Kingdom undertake to administer it on the terms set forth in the present Trusteeship Agreement.

Therefore the General Assembly of the United Nations, acting in pursuance of Article 85 of the Charter, approves the following terms of the trusteeship for the Territory of Nauru in substitution for the terms of the Mandate under which the Territory has been administered:—

Article 1. The Territory to which the Trusteeship Agreement applies (hereinafter called the Territory) consists of the island of Nauru (Pleasant Island) situated approximately 167° longitude East and approximately 0° 25' latitude South, being the Territory administered under the Mandate above referred to.

Article 2. The Governments of Australia, New Zealand and the United Kingdom (hereinafter called the Administering Authority) are hereby designated as the joint authority which will exercise the administration of the Territory.

Article 3. The Administering Authority undertakes to administer the Territory in accordance with the provisions of the Charter and in such a manner as to achieve in the Territory the basic objectives of the international trusteeship system, which are set forth in Article 76 of the Charter.

Article 4. The Administering Authority will be responsible for the peace, order, good government and defence of the Territory, and for this purpose, in pursuance of an agreement made by the Governments of Australia, New Zealand and the United Kingdom, the Government of Australia will on behalf of the Administering Authority and except and until otherwise agreed by the Governments of Australia, New Zealand and the United Kingdom continue to exercise full powers of legislation, administration and jurisdiction in and over the Territory.

Article 5. The Administering Authority undertakes that in the discharge of its obligations under Article 3 of this agreement—

1. It will co-operate with the Trusteeship Council in the discharge of all the Council's functions under Articles 87 and 88 of the Charter;

2. It will, in accordance with its established policy—

(a) take into consideration the customs and usages of the inhabitants of Nauru and respect the rights and safeguard the interests both present and future of the indigenous inhabitants of the Territory; and in particular ensure that no rights over native land in favour of any person not an indigenous inhabitant of Nauru may be created or transferred except with the consent of the competent public authority;

(b) promote, as may be appropriate to the circumstances of the Territory, the economic, social, educational and cultural advancement of the inhabitants;

(c) assure to the inhabitants of the Territory, as may be appropriate to the particular circumstances of the Territory and its peoples, a progressively increasing share in the administrative and other services of the Territory and take all appropriate measures with a view to the political advancement of the inhabitants in accordance with Article 76 (b) of the Charter;

(d) guarantee to the inhabitants of the Territory, subject only to the requirements of the public order, freedom of speech, of the press, of assembly and of petition, freedom of conscience and worship and freedom of religious teaching.

Article 6. The Administering Authority further undertakes to apply in the Territory the provisions of such international agreements and such recommendations of the specialized agencies referred to in Article 57 of the Charter as are, in the opinion of the Administering Authority, suited to the needs and conditions of the Territory and conducive to the achievement of the basic objectives of the trusteeship system.

Article 7. In order to discharge its duties under Article 84 of the Charter and Article 4 of the present agreement, the Administering Authority may take all measures in the Territory which it considers desirable to provide for the defence of the Territory and for the maintenance of international peace and security.

4. Administration.—The administration of the island is vested in the Administrator, who is obliged to conform to instructions issued by the Government which appointed him, and all ordinances made by him are subject to confirmation or disallowance by the Governor-General of Australia acting on the advice of the Federal Executive Council. All administration expenses are met from local revenue. Native

industries such as canoe-building, fishing, mat-making, etc., are encouraged by the provision of prizes at annual competitions. An agency of the Commonwealth Savings Bank has been established. There is a co-operative store managed to a large extent by the natives. The store books, however, are audited by Government officers. Natives are not allowed to carry or be in possession of firearms, and the use by them of intoxicating liquors and deleterious drugs is prohibited.

5. **Population.**—The population figures on 1st April, 1939 and on 31st December, 1940, 1941, 1946 and 1947 are given hereunder :—

NAURU : POPULATION.

Race.	1939.	1940.	1941.	1946.	1947.
Europeans	171	192	68	159	219
Chinese	1,512	1,350	584	787	1,161
Nauruans (a)	1,765	1,761	1,827	1,369	1,413
Other	44	49	193	33	80
Total	3,492	3,352	2,672	2,348	2,873

(a) The natives of Nauru are Micronesians.

Births in 1947 numbered 87. There were 18 marriages (three between Europeans) and 23 deaths.

6. **Health.**—Cases of the usual diseases known in the Pacific occur. Venereal disease is rare, but elephantiasis is occasionally met with. An area has been set apart for the segregation of lepers, and the latest methods of treatment are applied. The total number of persons receiving treatment at 1st May, 1947, was 59, of whom 28 were in the Leper Segregation Hospital. Two hospitals are maintained on the island, one by the Administration for Nauruans, and one by the British Phosphate Commission for its employees. In common with other natives, the Nauruans are very susceptible to tuberculosis and influenza, and in 1921 an influenza epidemic caused the deaths of 230 islanders. Dysentery, both amœbic and bacillary, is endemic. A regular anti-mosquito campaign is conducted. Steps have been taken by the authorities to improve the water supply and to provide efficient sanitation generally. Every Nauruan is required to undergo a medical examination once a month. Baby clinics have been established to give help and advice to Nauruan mothers in regard to infant nurture.

7. **Education.**—Formerly the education of Nauruan and other native children was undertaken by the Missions subsidized by the Administration, but on 1st October, 1923, the Administration assumed responsibility for education. There are 5 primary schools for native, and one for European children. A total of 378 native children and 24 European children were enrolled at December, 1947. The European school is in charge of a teacher on loan from the Victorian Education Department, who also supervises education matters generally.

The curriculum is similar to that of corresponding schools in Australia, and the teaching is, as far as possible, wholly in English. Education is compulsory between the ages of six and sixteen for Nauruan and other native children.

8. **Judiciary.**—The judicial power is vested in the Administrator in a Central Court and a District Court. The right of appeal is provided.

9. **Religion.**—The London Missionary Society (Protestant) and the Sacred Heart of Jesus Mission (Roman Catholic) operate in Nauru.

10. **Phosphate Deposits.**—(i) *General.* From 1906 to 1919 the deposits were worked by the Pacific Phosphate Company, which also worked the deposits on Ocean Island

(about 165 miles east of Nauru and part of the Gilbert and Ellice Islands Colony administered by the Colonial Office). The quantity on Nauru has been estimated at not less than 50,000,000 tons, and the exports average 85 per cent. to 88 per cent. of tricalcium phosphate.

The interests of the Pacific Phosphate Company in the two islands (though not in other islands in the Pacific in which it had workings) were bought by the British, Australian and New Zealand Governments in 1919 for £3,500,000, the purchase money being contributed in the proportions of 42, 42, and 16 per cent. respectively. The Agreement of 2nd July, 1919, provides for the working of the deposits by the British Phosphate Commission of three members, one appointed by each Government; and the three countries are to receive the output in the same proportions of 42, 42, and 16 per cent.

(ii) *Royalty on Phosphate.* Under a revised agreement between the British Phosphate Commissioners and the Nauruan land-owners, an increased royalty of 1s. 1d. per ton of phosphate exported has been payable from 1st July, 1947, as follows:—

- (a) 6d. per ton to be paid to the Nauruan landowner concerned;
- (b) 3d. per ton to the Administrator for the benefit of the Nauruan people;
- (c) 2d. per ton to the Administrator to be held in trust for the Nauruan landowner concerned and invested at compound interest for a period of 20 years. The capital will then remain invested and the interest thereon will be paid to the landowner.

- (d) 2d. per ton to the Administrator to be held in trust for the Nauruan community and invested until the year 2000 at compound interest.

From 1st July, 1947 the lump sums payable to landowners from whom phosphate-bearing lands are leased were also increased to £45 per acre, with a minimum payment of £7 10s. for areas less than an acre.

(iii) *Nauru and Ocean Island Phosphate Industry.* The following table gives particulars regarding exports of phosphate during the years 1937-38 to 1941-42 (when shipments ceased):—

NAURU AND OCEAN ISLAND : EXPORTS OF PHOSPHATE.

Year.	Total.	To	
		Australia.	New Zealand.
	Tons.	Per cent.	Per cent.
1937-38	1,169,361	66.17	24.81
1938-39	1,228,590	67.06	23.63
1939-40	1,243,428	54.49	32.14
1940-41	626,149	50.14	38.76
1941-42	144,454	53.79	46.21

From Nauru alone during the calendar year 1941 the export was 99,150 tons. Shipments were re-commenced in July, 1946, and 473,114 tons were exported from Nauru and Ocean Island to Australia and New Zealand to December, 1947.

(iv) *Accounts of Commission.* A statement of Nauru and Ocean Island activities from the period from July, 1939 to June, 1947 is given hereunder:—

NAURU AND OCEAN ISLAND : SALES OF PHOSPHATE.

Heading.	1939-40.	1940-41.	1941-42.	1942 to 1946.(a)	1946-47.
	£	£	£	£	£
Receipts from sales, etc. . . .	1,041,418	749,354	387,464	..	551,537
F.o.b. cost, including interest on capital, sinking fund, etc.	1,037,208	745,233	327,607	..	508,224

(a) Period of, and immediately following, Japanese occupation.

During the period of the Japanese occupation from August, 1942 to September, 1945, while waiting to resume activities at Nauru and Ocean Island, the Commission was engaged in meeting the phosphate requirements of Australia and New Zealand from other available sources. Reconstruction of equipment destroyed during the Japanese occupation has progressed steadily and drying of phosphate was recommenced at Nauru in early December, 1947.

The amount due by the British Phosphate Commission to the partner Governments for purchase-money and other capital sums was £3,666,457 on 30th June, 1921, and at 30th June, 1942, this had been reduced to £3,024,373. The partner Governments agreed to a suspension of interest and sinking fund payments from 1st July, 1942, while operations at Nauru and Ocean Island were curtailed. Modified payments were resumed in 1946-47, pending a review of the position in 1950, when it is anticipated that reconstruction will be completed. The redemption fund now totals £507,127.

(v) *Employees.* Apart from a limited number of Europeans and a few Pacific Islanders, the employees are Chinese engaged under a two years' contract. Increasing numbers of Nauruans are being employed, mainly in trade capacities.

11. *Trade.*—The Customs Tariff of Nauru provides for the free admission of all goods other than cigars, cigarettes, tobacco, spirits, wines, beer, cider, and perry, and cylinder blocks for motor cycle engines. Articles imported by the Administration for its own use and spirits for scientific purposes are exempt.

The Tariff rates apply to all countries alike. Information regarding imports and exports for the years 1937 to 1941 is shown in the following table.

NAURU : IMPORTS AND EXPORTS.

Heading.	Year ended 31st December—				
	1937.	1938.	1939.	1940.	1941.
Imports ..	£ 144,454	272,250	170,624	192,749	100,978
Exports—					
Phosphate ..	tons 688,900	841,050	932,100	808,400	99,150
	£ 513,989	546,683	605,974	541,168	69,375

Of the total imports Australia supplied £72,348 or 68 per cent. during 1941; the balance came mainly from the United Kingdom, China, Dutch East Indies, New Zealand and Canada in that order.

In 1941 56,850 tons of phosphates were exported to Australia, and 42,300 tons to New Zealand.

12. *Revenue and Expenditure.*—The revenue and expenditure of the Administration during the years 1939 to 1947 were as follows :—

NAURU : REVENUE AND EXPENDITURE.

Heading.	Year ended 31st December—				
	1939.	1940.	1941.	1942 to 1945.(a)	1947.(b)
	£	£	£	£	£
Revenue ..	33,084	27,104	12,023	..	21,123
Expenditure ..	29,391	26,223	23,951	..	84,641

(a) Period of Japanese occupation.

(b) Period September, 1945 to June, 1947.

Of the revenue in the period September, 1945 to June, 1947, royalty on phosphate amounted to £1,692, post office receipts, £5,228, customs, £2,283, radio, £2,927, licences and internal revenue, £3,705, and interest on investments, £458. At the close of 1941 the accumulated funds of the Administration amounted to £46,297, but these have since been used to finance the initial reconstruction and rehabilitation measures. Arrangements have been made with the British Phosphate Commissioners for additional funds, also, for these purposes.