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CHAPTER XV.

THE TERRITORIES OF THE COMMONWEALTH.

A. GENERAL.

1. Classification.—The Territories of, or under the control of, the Commonwealth are of three classes—

- (a) Territories originally parts of the States which have been surrendered by the States to the Commonwealth. These are the Northern Territory (formerly part of the State of South Australia) and the Federal Capital Territory (formerly part of the State of New South Wales).
- (b) Territories, not parts of States, which have been placed under the authority of the Commonwealth by Order in Council under section 122 of the Constitution. These are Papua and Norfolk Island.
- (c) Territories which have been placed under the administration of the Commonwealth by Mandate issued by the League of Nations. These are the Territory of New Guinea and (administered in conjunction with the British and New Zealand Governments) Nauru.

The Territories in class (a) only are parts of the Commonwealth.

2. Forms of Executive Government.—The Territories differ in their forms of Government. Papua is administered by a Lieutenant-Governor and a nominated Executive Council, who, except in matters of high policy and in certain matters prescribed by law, are not controlled by the Commonwealth Government. Norfolk Island and the Territory of New Guinea are each under an Administrator who is controlled by the Commonwealth Government; and in each of these Territories there is an Advisory Council. The Northern Australia Act 1926 divided the Northern Territory into two parts, one comprising the area north of the 20th parallel of south latitude, and the other the area south of that line. The Act provides for a Government Resident in each part and for a Development Commission directly under the Minister for Home and Territories. In the Federal Capital Territory some local institutions under the law of New South Wales continue, otherwise the Federal Capital Commission has definite responsibilities in regard to the government. In Nauru the Executive Government is vested in an Administrator who is subject only to the general control of the Government controlling the Administration.

3. Legislative Power.—The laws of the Parliament of the Commonwealth are in force in the Territories which are parts of the Commonwealth, but are not applicable to the Territories not parts of the Commonwealth, unless expressly extended thereto.

In Papua, there is a nominated Legislative Council, which has full power of legislation, subject to the assent of the Governor-General. In New Guinea, the Northern Territory, Norfolk Island and the Federal Capital Territory, there are no Legislative Councils, and Ordinances are made for these Territories by the Governor-General, subject to such Acts of the Parliament of the Commonwealth as are in force there.

In Nauru the legislative power is vested in the Administrator, subject to instructions from the Government controlling the Administration.

4. Laws.—In the Northern Territory, Papua and Norfolk Island, the laws existing at the dates when these territories came under the control of the Commonwealth have remained in force, subject to later legislation by or under the authority of the Commonwealth Parliament; in the Federal Capital Territory there still remain in force some of the laws of the State of New South Wales; in New Guinea, the former German law was repealed at the date of the establishment of civil government.

Three volumes containing the "Statute Law of the Territory of Papua" in force on 31st December, 1916, were published by the Government Printer, Port Moresby, in 1918 and 1919; subsequent Ordinances and the regulations under Acts and Ordinances are published in the *Government Gazette* of Papua and in annual volumes. The South Australian statutes in force in the Northern Territory will be found in the collected editions and annual volumes of the State of South Australia: Ordinances made by the Governor-General are published in the *Commonwealth of Australia Gazette*, and regulations under

Ordinances in the *Northern Territory Gazette*. The laws in force in Norfolk Island at the time of its coming under the control of the Commonwealth were collected in the *New South Wales Government Gazette* of 24th December, 1913, and printed separately as "The Consolidated Laws of Norfolk Island"; Ordinances made by the Governor-General and regulations made by the Administrator, are published in the *Commonwealth of Australia Gazette*. Ordinances made by the Governor-General for the Federal Capital Territory are published in the *Commonwealth of Australia Gazette*. Ordinances made by the Governor-General for the Territory of New Guinea are published in the *Commonwealth of Australia Gazette*, and regulations made by the Administrator in the *New Guinea Gazette*; the statute law in force in New Guinea on 31st December, 1925, has been published as Vols. I–IV. of "Laws of the Territory of New Guinea," and subsequent Ordinances and regulations are collected in annual volumes. Ordinances made by the Administrator of Nauru are promulgated locally and are printed in the annual report to the League of Nations on the Administration of Nauru.

5. **Finances.**—Papua is autonomous in its finances, but receives an annual grant from the Commonwealth Government. The Administration of the Northern Territory is maintained by the Commonwealth Government; a grant is made towards the expenses of administration of Norfolk Island, but taxes are raised locally which meet part of the expenditure; expenditure in the Federal Capital Territory is defrayed by the Commonwealth; New Guinea has its own budget, and the local revenues have hitherto been sufficient to maintain the Administration; Nauru is self-supporting.

The sum expended by the Commonwealth Parliament in 1925–26 on the Territories outside the Commonwealth was £105,405, exclusive of £50,418 for mail services to these Territories and to other islands in the Pacific.

B. THE NORTHERN TERRITORY.

§ 1. Area and Population.

1. **Introductory.**—Upon the extension of New South Wales westward to the 129th meridian in 1827, the Northern Territory was incorporated in that colony (see Chapter I.), and 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.

2. **Area and Boundaries.**—The total area of the Territory is 523,620 square miles, or 335,116,800 acres. Its length from north to south is about 900 miles, while its breadth from east to west is 560 miles. Its eastern boundary, dividing it from Queensland, is the 138th meridian of east longitude; and its western boundary, separating it from Western Australia, the 129th meridian. Its southern boundary is the 26th parallel of south latitude, dividing it from South Australia. The northern boundary is the coast line of those parts of the Indian Ocean known as the Timor and Arafura Seas. Near the mouth of the Wentworth River, in the Gulf of Carpentaria, the coast line is met by the eastern boundary; at Cape Domett, near Cambridge Gulf, the western boundary cuts the northern coast line. The length of coast line is about 1,040 miles, or 503 square miles of area to one mile of coast line.

3. **Population.**—(i) *Europeans.* The problem of increasing the European population of the Northern Territory is one of considerable difficulty. Its solution will, of course, depend on the economic development of the country, and past experience tends to show that the task of developing its resources will involve large expenditure. At the Census taken in 1881 there were only 670 Europeans in the Territory. The total increased slowly, reaching its maximum in 1919 with 3,767 persons. Owing mainly to the closing down of the meat works at Darwin a decline then took place, and at the Census taken in 1921 the white population had decreased to 2,459, while on 30th June, 1926, it was approximately 2,700.

(ii) *Asiatics.* With the exception of a few Japanese, Filipinos and others, the Asiatics in the Northern Territory consist mainly of Chinese. The South Australian Government introduced 200 Chinese in the early seventies to assist in the promotion of agriculture, while the discovery of gold resulted in many others coming on their own account. Their numbers increased considerably in connexion with the construction of the railway from Darwin to Pine Creek, in 1887–88, and there were at that time upwards of 4,000 Chinese in the Territory. The total gradually dwindled thereafter, and the number at the Census of 1921 was only 722. The total number of all non-European persons (excluding Aborigines), is approximately 1,100.

(iii) *Total Population.* The highest recorded population of all races, except aborigines, was 7,533 in 1888, while at the end of 1926 it was 3,898. The estimated population for the last five years is given in the following table:—

NORTHERN TERRITORY.—POPULATION (EXCLUSIVE OF ABORIGINES),
1922 TO 1926.

Year.	Males.	Females.	Total.
1922	2,540	1,011	3,551
1923	2,527	1,028	3,555
1924	2,538	1,059	3,597
1925	2,550	1,106	3,656
1926	2,773	1,125	3,898

The Census population (4th April, 1921) was 2,821 males, 1,046 females, total, 3,867.

(iv) *Movement of Population.* The following is a summary of movement of population in 1926 (excluding overland migration):—

NORTHERN TERRITORY.—MOVEMENT OF POPULATION, 1926.

Inwards	731	Outwards	498	Excess of immigration over emigration ..	233
Births	73	Deaths	64			Excess of births over deaths ..	9
Increase	804	Decrease	562	Net Increase ..	242

The immigration and emigration of the Territory for the five years ending in 1926 are shown in the following table:—

NORTHERN TERRITORY.—MIGRATION, 1922 TO 1926.

Year.	Immigration.	Emigration.
1922	406	599
1923	438	468
1924	496	467
1925	567	511
1926	731	498

(v) *The Aborigines.* A special article contributed by Dr. W. Ramsay-Smith on the subject of the Australian aborigines, was incorporated in Year Book No. 3 (pp. 158–176). The chapter "Population," in Year Book No. 17, contained information regarding the number and distribution of aborigines and the measures taken by the States (in the case of the Northern Territory, by the Commonwealth) to protect and preserve the aborigines. In the Northern Territory large numbers of the aborigines are still outside the influence of Europeans. At the last Census, 2,050 full-blood aborigines, in the employ of whites or living in the vicinity of European settlements, were enumerated. Of these 1,184 were males and 866 females. The total number of full-blood aborigines in the Territory at 30th June, 1926, was estimated at 19,853. The greatest difficulty which confronts the Administration in dealing with the natives is due to the circumstance that they are nomads, without fixed abode, merely wandering about hunting for native food within the limits of their tribal boundaries, and making no attempt at cultivation or other settled industry. In their natural state, compared with those of other tropical countries, the natives are very healthy, but in contact with new settlers, white or Chinese, they rapidly fall victims to disease, and to degradation from drink or opium.

§ 2. Legislation and Administration.

1. *Transfer to Commonwealth.*—(i) *The Northern Territory Acceptance Act.* A short historical sketch is given in Year Book No. 6, pp. 1113–4. On 1st January, 1911, the Territory was transferred by South Australia to the Commonwealth, upon terms previously agreed upon by the respective Cabinets, and ratified by the Commonwealth *Northern Territory Acceptance Act* (No. 20 of 1910). The terms were outlined in Official Year Book No. 15, page 940.

(ii) *The South Australian Surrender Act.* The State Act approved and ratified the agreement surrendering the Territory.

2. *Administration.*—(i) *The Northern Territory (Administration) Act, 1910.* The Act provided for the appointment of an Administrator and officials. South Australian laws were declared to continue in force as laws of the Territory, and certain Commonwealth Acts to apply. Power was given to the Governor-General to make Ordinances having the force of law.

(ii) *Northern Australia Act, 1926.* As stated previously, under this Act the Territory is divided into two parts separated by the 20th parallel of south latitude, each administered by a Government Resident, while, in addition, a Development Commission is provided. The above officers were appointed and took charge as from 1st March, 1927.

(iii) *Northern Territory Ordinances.* In Official Year Book No. 18, pp. 619–20, a summary was given of the main provisions of the Ordinances passed up to June, 1924. For similar information regarding Ordinances passed during 1925, see Official Year Book No. 19, page 87, and during 1926, page 103 of this issue.

3. *Representation in Commonwealth Parliament.*—The Northern Territory elects a member to the House of Representatives. He is not entitled to vote, but may take part in any debate in the House. (See Year Book No. 19, p. 563.)

§ 3. 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 clifty 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 Year Book No. 1, p. 66; the rivers in Year Book No. 2, p. 76; the mountains in Year Book No. 3, p. 67; the lakes in Year Book No. 4, p. 77; the islands in Year Book No. 5, pp. 71, 72, and the mineral springs in Year Book 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.

§ 4. 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 will be found in 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 numbers have been greatly reduced by indiscriminate shooting in recent years. †

3. **Flora.**—The vegetation is North Australian in type, but a number of the forms belongs to the Malayan and Oceanic regions. The timber trees are not of great commercial value, but in the coastal regions tropical vegetation grows luxuriantly to the water's edge. On the wide expanses of plain country in the interior there is little vegetation. The principal orders represented in the Territory are:—*Euphorbiaceæ*, *Compositæ*, *Convolvulaceæ*, *Rubiaceæ*, *Goodeniaceæ*, *Leguminosæ*, *Urticæ*.

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

§ 5. Production.

1. **Agriculture.**—Up to the present agriculture has made little progress in the Territory, although it has been proved that rice, tobacco, coconuts, 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. Some 5 miles from Darwin a coconut plantation, about six acres in area, is thriving, and at a small plantation at Shoal Bay the palms planted along the sea-shore are giving excellent results. There is a large stretch of first-class coconut land on the coast, but hitherto planting has not been attempted on a commercial scale. Cotton was planted in 1924 by settlers at Stapleton, Grove Hill, Daly Rivers, Pine Creek, and the Katherine, and there were experimental

plots at Mataranka, Borroloola, and on the lower Roper River. The small number of settlers and the difficulty in obtaining labour for picking militate against progress. Native labour is very uncertain, and the time of picking comes at a period of the year when the aborigines can get plenty of native food. In 1926 only 40 acres were under cotton compared with 123 acres in 1925. About 180 acres were planted with peanuts, and about 35 tons were harvested, compared with 70 acres and 24 tons in the previous year. The outlook for agriculture is not bright, active settlers only number fourteen, and but an aggregate area of about 300 acres is under culture.

2. **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 brought from Queensland to the northern parts of the Territory, and in 1879 Mr. 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 progressed slowly, and the number of cattle on 31st December, 1925, was about 970,300. A great impetus was given to this industry in 1917 by the opening of extensive meat works at Darwin. Unfortunately the works closed down in 1920, but they were partly reopened in 1925, and up to the 1st September of that year, 9,600 head of cattle were treated; killing then ceased. The number of cattle exported by land during the year 1925–26 was 19,329, compared with 42,426 during the previous year, and that of horses about 600. The cattle industry has been retarded by the ravages of ticks and by the difficulty of travelling stock through waterless country. These difficulties are, however, gradually being overcome, the former by the introduction of the practice of “dipping,” and the latter by adding to the number of wells on the various stock-routes and the creation of stock reserves. Horses thrive well, and in 1925 numbered about 46,000. Buffaloes thrive in the coastal districts, but their number has been greatly reduced by indiscriminate shooting for the sake of the hides, of which 6,271 were exported during 1925–26.

The estimated number of live stock in the Territory at various periods is given in the table hereunder:—

NORTHERN TERRITORY.—LIVE STOCK, 1910, 1915, AND 1921 TO 1925.

Year.	Horses.	Cattle.	Sheep.	Pigs.	Goats.	Camels.
1910	24,509	513,383	57,240	996	..	..
1915	19,957	433,961	57,827	500	..	..
1921	39,565	568,031	6,349	452	19,385	494
1923	44,603	843,718	4,728	647	25,647	579
1924	45,059	855,285	6,914	1,000	30,000	1,000
1925	46,380	970,342	8,030	382	21,859	452

In addition there were in 1925, 1,113 donkeys and 280 mules.

3. **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 the gold production 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 from vagaries of prices, and from the disadvantages of high cost of transport and of white labour. The year 1924–25 showed a decline from the previous year in all the principal metals. In the case of gold the year's production was the second lowest on record, the value amounting to only £593. The average number of men engaged in the mining industry for the year 1925–26 was about 185, comprising 110 Europeans, about 60 Chinese, and the balance mostly aboriginals.

(ii) *Mineral Production.* The following table shows the total mineral production for the last five years :—

NORTHERN TERRITORY.—VALUE OF MINERAL PRODUCTION,
1921-22 TO 1925-26.

Year.	Gold.	Tin Ore.	Wolfram.	Silver- Lead Ore.	Copper Ore.	Mica.	Total Value all Minerals.
	£	£	£	£	£	£	£
1921-22	540	5,891	560	..	798	2,170	9,959
1922-23	743	13,887	18	..	30	1,926	16,612
1923-24	3,270	12,855	..	..	239	2,718	19,138
1924-25	1,939	15,966	..	617	15	2,835	21,715
1925-26	593	15,852	..	447	60	2,132	19,085

(iii) *Coal and Mineral Oil.*—Three applications for mineral oil and coal licences were received in 1925-26, and only six such licences, representing an area of 4,270 square miles, were in existence on 30th June, 1926. No boring for oil in the Territory is at present undertaken.

4. *Pearl, Trepong, 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. During 1925-26 eight boats were operating, employing 2 Europeans, 11 Japanese divers, 15 other coloured men and 6 aboriginals. The year's output was 43 tons, valued at £7,800. The territorial waters teem with fish, but the hope of establishing a salt and dried fish trade has not materialized. In the procuring of trepong, 5 boats and 7 persons, beside aboriginals, were engaged.

§ 6. Land Tenure.

A description of the system of land tenure in force in the Territory will be found in Chapter V.—Land Tenure and Settlement.

§ 7. Commerce and Shipping.

1. *Trade.*—No record is kept of the direction of trade between the Commonwealth States and Territories. The value of the direct oversea trade for 1901 and for each of the years 1921-22 to 1925-26 is given hereunder :—

NORTHERN TERRITORY.—VALUE OF DIRECT OVERSEA TRADE,
1901 AND 1921-22 TO 1925-26.

Items.	1901.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
	£	£	£	£	£	£
Imports	37,539	12,115	12,804	14,432	20,636	34,168
Exports	29,191	5,036	14,627	8,000	41,944	35,902
Total	66,730	17,151	27,431	22,432	62,580	70,070

The principal items of overseas export in 1925-26 were cattle, £29,936 ; pearl-shell, £2,500 ; hides, £1,261 ; tallow, £870 ; trepong, £847 ; and fish, £326.

2. **Shipping.**—The Territory is dependent for its shipping facilities chiefly on the services of vessels trading between Sydney and Singapore. Other vessels make occasional visits, while a sixty-days' service between Fremantle and Darwin is carried out by the "Koolinda," belonging to the West Australian State Shipping Service.

NORTHERN TERRITORY.—SHIPPING, 1921-22 TO 1925-26.

Period.	Arrivals.		Departures.	
	No. of Vessels.	Tonnage.	No. of Vessels.	Tonnage.
1921-22	32	93,421	30	84,835
1922-23	37	99,055	37	99,955
1923-24	35	96,099	34	96,004
1924-25	56	124,715	52	124,564
1925-26	48	118,478	49	118,665

The foregoing figures are exclusive of particulars of coastwise shipping. During 1925-26, 35 vessels of 1,460 tons net were entered as coastwise.

§ 8. Internal Communication.

1. **Railways.**—Under the agreement ratified by the Act, the Commonwealth is 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 Oodnadatta, about 100 miles south of the southern boundary of the Territory. The only line at present in the Territory is one from Darwin to Emungalan, Katherine River, a length of 198.68 miles, of 3 ft. 6 in. gauge. The section between Emungalan and Daly Waters which was authorized by the Commonwealth Government at a cost not to exceed £1,545,000, is now under construction. A railway bridge across the Katherine River has been completed. The completion of the remainder of the gap would permit of the development of the broad belts of pastoral and mineral country towards the centre of Australia. The Commonwealth also acquired on 1st January, 1911, the property in the line from Port Augusta to Oodnadatta (478 miles). The extension of this line to Alice Springs has been authorized by Parliament, and the departmental work carried out.

2. **Posts.**—Postal communication is maintained by vessels belonging to Burns, Philp and Co., which maintain a monthly service between the Territory and the Eastern States. In addition, the vessels belonging to the State Steamship Service of Western Australia give a service once every 60 days between Fremantle and Darwin. Inland, the northern part of the Territory receives its mail via Darwin, while the southern districts are served via Adelaide.

3. **Telegraphs.**—The transcontinental telegraph line, covering a length of 2,230 miles, was completed on the 22nd August, 1872, at a cost of nearly half-a-million sterling. 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.

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

§ 9. Finance.

1. Revenue and Expenditure, 1925-26.—In the Commonwealth finance statements separate accounts are given for Northern Territory administration. Receipts and expenditure for 1925-26 are given below :—

REVENUE AND EXPENDITURE.—NORTHERN TERRITORY, 1925-26.

REVENUE.	£	EXPENDITURE.	£
Customs and Excise ..	6,628	Administrative Staff ..	69,030
Postal, Telegraph, and Telephone	8,752	Northern Territory Railways	43,625
Darwin-Katherine River Railway	38,879	Interest and Sinking Fund, Northern Territory Loans ..	143,251
Territorial	26,393	New Works, Artesian Bores, Roads, etc.	33,629
Land and Income Tax	3,534	Miscellaneous	92,733
Lighthouses and Light Dues ..	987		
Miscellaneous	12,125		
Deficiency on year's transactions	284,970		
Total	382,268	Total	382,268

2. Northern Territory Debt.—The items making up the total debt of the Territory as at 30th June, 1926, are as follows :—

	£	£
Debt at date of transfer to the Commonwealth, 1st January, 1911		3,931,086
Redeemed under Commonwealth Loan Acts ..	2,352,717	} 2,813,467
Redeemed from Consolidated Revenue ..	460,625	
Redeemed from Sinking Fund	125	
Balance, 30th June, 1926		1,117,619

In addition, the balance of the Port Augusta—Oodnadatta Railway Loans taken over from South Australia amounted at the same date to £1,075,877, making a total of £2,193,496. Under the provisions of the "Northern Territory Acceptance Act, 1910," a sinking fund has been established in connexion with the transferred loans.

C. THE FEDERAL CAPITAL TERRITORY.

1. **Introductory.**—In Year Books Nos. 4 and 5, information was given in Section XXXI., in regard to the events leading to the selection of the Federal 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 *in extenso*, and topographical and contour maps accompanied the letterpress, as well as reproductions of the premiated designs for the laying out of the city. Considerations of space, however, preclude the repetition of this information. On the 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.

2. **Transfer of Parliament.**—On the 24th March, 1927, the Senate and House of Representatives sitting in Melbourne, resolved that the next meeting of Parliament should be at Canberra on the 9th May, 1927. On that day the Parliament House at Canberra was officially opened by His Royal Highness Albert, Duke of York, 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—now His Majesty the King—on the 9th May, 1901.

The first part of the opening ceremony took place at the main entrance of Parliament House, in the presence of the Governor-General, the Governors of the States, the Prime Minister, Representatives from Great Britain and the Dominions, Members of Parliament, and other guests of the Government, as well as some thousands of citizens.

The significance of the occasion was marked by the presentation of a gold key and casket to His Royal Highness the Duke of York by the Prime Minister, who also handed duplicate keys of the House to the President of the Senate and the Speaker of the House of Representatives.

After a religious service, conducted by representatives of the Churches, the Royal Party entered Parliament House and proceeded to the King's Hall, where His Royal Highness, at the invitation of the Prime Minister, on behalf of the people of Australia, unveiled a statue of His Majesty, King George the Fifth.

The Members of the Senate and House of Representatives, and guests of the Government, then adjourned to the Senate Chamber. On the entry of His Royal Highness, accompanied by Her Royal Highness the Duchess of York, the Governor-General, and the State Governors, the Clerk of the Senate read the King's commission for the establishment of the Seat of Government at Canberra. His Royal Highness then addressed the assemblage and delivered a message from His Majesty the King.

The two Houses of the Parliament subsequently reassembled for the despatch of business, and its first meeting at the new Seat of Government, Canberra, was thus constituted.

3. Administration.—In Year Book No. 18, a summary was given of the development of the administration up to the taking over of the control of the Territory by the Federal Capital Commission.

The administration of the Territory entered upon a new phase when the Federal Capital Commission took over the control of its affairs at the beginning of 1925. The Commissioners have been appointed for terms of five years, four years and three years respectively, in accordance with the provisions of the *Seat of Government (Administration) Act 1924*. This Act defines the powers and functions of the Commission, which include the control and management of lands, the carrying out of works and building construction, and, generally, the municipal government of the Territory. Subject to Parliamentary and Ministerial authority, it has been empowered to raise loans for all the purposes of its administration.

The Departmental association with the administration of the Territory has therefore become limited to the general authority of the Minister for Home and Territories, and responsibility of the Department of Works and Railways to assist when required in the designing and construction of works and buildings.

It was provided in the *Seat of Government (Acceptance) Act 1909* that all laws in force in the Territory, at the date of its acquisition by the Commonwealth, should continue in force, as far as applicable, until other provision is made.

The *Seat of Government (Administration) Act 1910*, which forms the basis for the Government of the Territory, came into force on the 1st January, 1911. It provided that certain State Acts, including those imposing taxation, were to apply no longer to the Territory, but that other State laws should, subject to any Ordinance made by the Governor-General, be the law of the Territory. This Act also provided that the inferior Courts of New South Wales should exercise, until other provision is made, the same jurisdiction as they had before.

The inferior courts of New South Wales are still being used for the administration of justice in the Territory, and many State statutes relating to the Criminal and other Law are still in force, although they have been modified in several respects in the State. A progressive view of the law is, therefore, necessary in order that the already obsolete or unsuitable State law still in force, may be replaced by modern legislation, befitting the peculiar position of the Territory under a Commission which has quasi-governmental as well as municipal functions.

4. Progress of Work.—The general progress of the work of construction up to the time when the Territory was taken over by the Commission was outlined in Year Book No. 18. The Commission has continued the policy of developing the city according to the approved plan, and prior to the opening of Parliament House on 9th May, 1927, it had devoted itself primarily to the completion of the basic engineering services, viz., roads, water supply, sewerage, drainage and electric supply, and the official and residential accommodation necessary to enable the Seat of Government to be transferred, and to enable either the whole or portion of the various Departments of the Public Service to function effectively after the transfer.

Parliament House was completed prior to the opening ceremony, but to increase the accommodation for the public the construction of additional galleries in the House of Representatives has been carried out in readiness for the next session of Parliament.

A departure from the scheme prepared by the Federal Capital Advisory Committee was approved in the case of offices for the Central Administration of Commonwealth Departments, a permanent building being decided upon instead of a group of structures of a provisional nature. As a result of an architectural competition a design has been selected for this building, and tenders are being invited for its erection. As its completion before 1930 is not practicable, the sectional staffs of the various Departments will be housed in two buildings known as Commonwealth Offices, East Block and West Block, and part of Hotel Kurrajong, which will be utilized temporarily for that purpose. An Automatic Telephone Exchange and a Central Post Office are located in part of the East Block, Commonwealth Offices, and accommodation has been reserved for the National Library in the West Block, pending the time when the erection of a Monumental Building for the Library will be justified. A Government Printing Office is in active operation.

A competition for Australian Architects within the Empire for a monumental structure as a National War Memorial Museum at the foot of Mt. Ainslie has been conducted. Two of the authors of the premiated designs in the competition have been commissioned as Architects for the building, and an amended design is being developed.

Other important building schemes include premises for the Australian School of Forestry—now completed and occupied—the Solar Physics Observatory, Mt. Stromlo, and an Assembly Hall for Public purposes—now in course of construction—and the Australian National Museum of Zoology.

The remodelling and furnishing of Yarralumla House for use as the residence of the Governor-General has been effected, and the residence for the Prime Minister has also been completed.

Visitors to Canberra have been provided for by the erection of eight hotels or large guest houses. Hotel Canberra, situated near the Governmental area, is the largest of these, with accommodation for 200 guests. Hotel Kurrajong, on the other side of the Governmental area, has a capacity for 120 guests. Hotel Acton, on the north side of the Molonglo River, will accommodate 120 guests, and Hotel Ainslie, also on the north side, has accommodation for 50 persons. The other buildings, which include Hotel Wellington and Brassey House on the south side of the river, and Beauchamp House and Gorman House on the north side of the river, each has a capacity varying between 40 and 80 persons. Most of this accommodation will be required for members of the Civil Service being transferred from Melbourne.

Satisfactory progress has been made in the cottage construction programme, and the Commission has been able to arrange for the completion of 239 houses during the years 1925-1927, and had 279 under construction.

The problem of accommodation for workmen during the period of initial construction has been met satisfactorily by the erection of portable wooden cottages (having water supply, sewerage, and electricity available) in specially selected areas, and all roughly constructed hutments and camps have as far as possible been eliminated.

The public abattoirs, constructed to meet the requirements of a population of 10,000, were in operation at the beginning of 1927.

The construction of main avenues and roads according to the approved plan has been continued. Many miles have been formed, and a considerable portion metalled or gravelled or improved with harder materials. Schemes for laying down permanent roads when required to carry heavy traffic are now in course of development. Many roads have been regraded, and the construction of kerbs and gutters and the preparation of plantations are being undertaken progressively as areas are developed.

Other engineering services have been extended to meet the requirements of construction and settlement, and steady progress has been made in the planting of belts of trees for shelter, and of various city parks. The formation of avenues and streets and other ornamental features has been carried out, as well as a large amount of afforestation work on the outskirts of the city.

A scheme for the planting of selected native trees in the Zoological Park has been adopted, and is now being carried out according to plan.

Water supply service reservoirs have been provided on Red Hill and Mount Russell, and mains through the city are being laid as required. The outfall sewer and treatment works are completed, and the district sewers have been connected to the main sewerage scheme of the city, which is now in operation. The temporary sewage treatment works, which have been in use for some years, have been dispensed with.

Electric lighting and power services have been extended to serve the residential districts and areas where various construction works are proceeding, many miles of transmission line having been erected.

The capacity of the Power House has been increased by the installation of additional generating plant, and is now 2,850 kilowatts. Electrical energy is conveyed to the various factories where the manufacture of bricks, tiles, joinery, cement products, and other requirements for domestic purposes is carried on, and is in general use for street and park lighting. Fire services have been provided, including the installation of special fire alarms for the protection of buildings and depots throughout the city.

Provision has been made for the maintenance of roads, buildings, and other services in the Territory, and many works and buildings of a minor character have been constructed.

The proposal to dam the waters of the Molonglo River near Yarralumla for the formation of part of an ornamental lake system was referred to the Parliamentary Standing Committee on Public Works, which decided that the construction of the dam should be postponed, as it was not an immediate necessity. The matter is, however, being given further attention, owing to the necessity for regulating the flow of the river which, in winter, is liable to heavy floods.

The activities undertaken by private enterprise have been considerably augmented. During the year 1926-27, 371 plans for the erection of privately-owned buildings, comprising residences, shops, offices, banks, and schools, were approved by the Commission.

Development has been commenced at the main shopping zone at the Civic Centre on the north side of the city. Large blocks of buildings are in course of construction in units of varying size, which will adhere to a uniform design and exterior architectural expression in keeping with the importance of their location. The difficulties experienced by local authorities, where there has been little or no co-ordinated design for shops and business premises, are, therefore, to a great extent obviated in advance.

5. Lands—(i) *In the Federal Territory Proper.* Reference has been made in Chapter V. to the general conditions of land tenure in the Territory for the Seat of Government 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 noxious animals. The lands are classified into three grades of agricultural and three grades of grazing land. About 181,725 acres, comprising 360 holdings, are at present held under lease for periods varying from quarterly tenure to 25 years.

The first auction sale of city leaseholds was held on 12th December, 1924, and 289 residential and 104 business sites were offered at Eastlake, Manuka Centre, Blandfordia, Red Hill, Civic Centre, and Ainslie. Of these, 146 blocks were immediately disposed of at prices averaging from £6 to £58 per foot for business sites, and from 10s. to £3 4s. per foot for residential sites. Of the remainder, 149 blocks (including all the business sites offered) were sold subsequently. A further 64 residential blocks in the original subdivisions offered were withdrawn from lease, and are being built upon by the Commission for the housing of public servants.

In view of the demand for sites, a further 18 business and 80 residential sites were offered for lease by public auction on the 29th May, 1926, and the whole of the business sites were sold at prices varying from £24 to £150 per foot. Of the residential sites offered, 21 were sold at the day of auction and a further 40 sold up to 8th April, 1927.

The lease of a site for an Amusement Hall at Manuka Centre was sold by public auction on the 10th February, 1926, at a capital value of £7,000, representing approximately £54 per foot.

A further auction sale of city leases was conducted on 9th April, 1927, when 12 business, 3 boarding house, 4 minor industrial, 1 motor service station, and 57 residential blocks were offered. With the exception of 19 residential blocks, the whole of the sites offered were sold at the following prices:—Business sites, £95 to £175 per foot; minor industrial sites, £19 to £22 per foot; boarding-house sites, £7 6s. 8d. to £9 3s. 4d. per foot; residential sites, £1 10s. to £7 per foot; the motor service station, £113 per foot. The terms of the lease require the purchasers of these sites to commence and complete the erection of approved buildings within specified periods.

To meet a demand for private hospital facilities, the Commission proposes to make available at an early date two maternity hospital sites and two larger general hospital sites, one of each on the northern and southern sides of the city area respectively.

Under the terms of the *City Area Leases Ordinance* 1924–26, each block is leased for a period of 99 years at a rental of £5 per centum per annum of the unimproved capital value as assessed by the Commission or bid at auction.

Several sites have also been leased under the *Church Lands Leases Ordinance* 1924–1927, which permits the granting of leases in perpetuity at a rental of 1 per cent. of the unimproved capital value, which is not subject to re-appraisal; and also under the *Leases (Special Purposes) Ordinance* 1925–1927, which provides for leasing of city lands for non-commercial purposes.

Designs for the buildings are governed by regulations, and leases are not transferable until buildings have been erected on the land as prescribed, or where the Commission is satisfied that a building is being, or about to be, erected on the land.

(ii) *Land at Jervis Bay.* The Commonwealth has 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 Federal Capital. The Royal Australian Naval College has been established in this area on a site known as Captain's Point, and portions of the remaining lands have been leased.

6. Railways.—Canberra is connected with the railway system of New South Wales by a line $4\frac{3}{4}$ miles long to Queanbeyan. This line was opened for goods traffic on the 25th May, 1914, and for passenger traffic on the 15th October, 1923, and is being worked by the New South Wales Railways Commissioners for, and on behalf of, the Commonwealth.

A public railway station has been established at Eastlake, near the Power House, and is the terminus of the existing line.

A daily passenger and goods service is in operation connecting Canberra with Goulburn. At Molonglo Settlement, where many employees of the Commission are housed, a two-carriage platform has been constructed.

A trial survey of the Canberra–Jervis Bay line has been completed, and plans prepared to enable an estimate of the cost of the line to be obtained, but no action in regard to this project is contemplated at present.

Under the provisions of the *Seat of Government Surrender Act* 1909 of New South Wales, and the *Seat of Government (Acceptance) Act* 1909 of the Commonwealth, an agreement exists between the Commonwealth and the State of New South Wales in relation to the construction of a railway from Canberra to Yass—a distance of, approximately, 43 miles, of which about 32 miles extend through New South Wales. The State is required to construct its portion of the line as soon as the Commonwealth builds a line to the boundary of the Territory.

The permanent survey of this line has been completed, and the proposal has recently been the subject of an inquiry by the Commonwealth Works Committee, whose report thereon is now under consideration.

7. Population.—The census return of population on the 31st December, 1926, was 6,789 in the Federal Capital Territory and 588 in Jervis Bay Territory, or a total of 7,377 persons. This includes residents only temporarily absent from the Territory.

8. Live Stock.—The live stock, according to the latest return, comprises:—

Horses	..	..	1,028
Cattle	..	..	6,703
Sheep	..	..	219,314

9. **Educational Facilities.**—Arrangements have been made with the New South Wales Education Department to continue for the time being the administration of education in the Territory, the expenditure involved being refunded annually by the Commission to the State. Including the school at Jervis Bay, there are thirteen schools conducted in the Federal Territory by the New South Wales Education Department.

The policy has been adopted of concentrating a number of scholars in a large central school, where better facilities and a more efficient staff may be obtained than would be possible in small isolated schools each under the control of one teacher. The main public school at Telopea Park has now accommodation for 500 scholars, and its curriculum covers the stage from the primary to school-leaving standard. The Commission conveys scholars to this school from the various centres.

A separate Infants' School has been established at Telopea Park, and additional facilities for primary education will be made available by the opening of a new school at Ainslie on the 1st September, 1927.

Schemes are being developed for the establishment of a Junior Technical School, a Trades School, and a Domestic Science School at Telopea Park, in addition to an extension to accommodate double the present number of scholars. Arrangements are also being concluded to conduct an evening continuation school.

A report by a committee of experts upon a University scheme was considered by the Commission and submitted to the Government. The Government agreed that there should be a University at Canberra, but expressed the opinion that no expenditure in connexion with it should be approved for the financial year 1926-1927. The matter is now receiving the further consideration of the Government.

A private primary and secondary school for girls was opened at Canberra in June, 1926, utilizing as a temporary building the old Rectory at Ainslie.

New buildings for this school are now under construction on the southern side of the city area for use as a day and boarding school for girls, and will be opened before the end of 1927.

The council of the Monaro Grammar School Ltd., which is a secondary school for boys, has decided to remove the school to the Federal Capital, and a lease has been granted on the southern side of the city area, which provides that commencement shall be made with the school buildings within a period of six months.

It is anticipated that other private educational institutions will be established in the near future.

10. **Social Service.**—During 1925 the Commission inaugurated a social service movement aiming at co-operation in social activities between the Commission and the citizens of Canberra. The organization, which is now in active operation, embraces eleven District Associations. Committees dealing with libraries, indoor recreation, outdoor recreation, women's and children's welfare, children's recreation, and education have been formed, and delegates to these committees and to the general Social Service Council are elected by the District Associations.

One of the aims of this movement is the provision of recreational and other facilities by voluntary labour. A hall accommodating about 600 people has been built at The Causeway, and other halls have been similarly created, the Commission supplying the materials. Children's playgrounds have also been made in six centres, and others will be established in settled suburbs of the city area. The movement is also responsible for providing tennis courts and other sports grounds.

The Mothercraft Society, affiliated to the Association, was responsible for the establishment at Canberra of a Baby Health Centre. The Commission assisted this movement, and the Mothercraft Society has suitable head-quarters and the services of a trained nurse. A club for women workers has been established in Canberra, known as "Lady Hopetoun Club," which provides residential accommodation as well as opportunities for social intercourse.

A Community Library has also been established in which more than 1,500 books are available for members.

A Parents' and Citizens' Association, which is a medium of expression of public opinion on the subject of education, has been actively working for some years, and takes a lively interest in measures for the recreation and entertainment of school children.

Under the auspices of the Association, a magazine called "The Canberra Community News" is published monthly, and affords a convenient medium for the circulation of local news and the expression of opinion on social service matters.

11. **Expenditure.**—(i) *General.* The capital expenditure on the Seat of Government during the period 1901 to 1911 and for each year thereafter up to the 30th June, 1924, was published in Year Book No. 18.

Details of the expenditure for the period 1924–25 were published in Year Book No. 19.

Expenditure for the period 1925–26 amounted to £1,476,207, including £1,467,517 on construction and £8,690 on acquisition of land.

Expenditure for the period 1926–27 amounted to £1,911,693, including £1,887,571 on construction and £24,122 on acquisition of land.

(ii) *Expenditure 1925–26 and 1926–27.* Details of expenditure for the years 1925–26 and 1926–27 are given hereunder :—

FEDERAL CAPITAL TERRITORY.—EXPENDITURE, 1925–26 AND 1926–27.

Particulars.	Amount.	
	1925–26.	1926–27.
	£	£
Buildings—		
Parliament House	269,492	169,731
Permanent Administrative Offices	984	1,506
Secretariat Buildings	57,875	93,540
Forestry School	10	20,896
Government House, Yarralumla	24,328	36,749
Printing Office (including Pneumatic Tubes)	55,682	22,331
Hotels, Boarding Houses, etc.	137,496	186,059
Prime Minister's Residence	2,976	19,933
Commission Offices	13,407	2,137
Primary Schools	782	15,470
Abattoirs	3,817	1,033
Canberra Hospital	24	22,821
Cottages	251,434	373,339
Temporary Accommodation for Workmen	17,006	36,087
Store Building .. .. .	..	8,030
Transport Garages .. .. .	..	3,567
Assembly Hall .. .. .	..	43
Solar Observatory .. .. .	..	36,981
Physical Testing Laboratory and Equipment .. .. .	..	2,420
	835,313	1,052,673
Water Supply and Sewerage—		
Water Supply	26,903	82,472
Sewerage	271,314	143,996
Stormwater Drainage .. .. .	..	41,328
Intercepting Channels	813	..
	299,030	267,796
Roads and Bridges	119,511	233,474

FEDERAL CAPITAL TERRITORY.—EXPENDITURE, 1925-26 AND 1926-27—
continued.

Particulars.	Amount.	
	1925-26.	1926-27.
	£	£
Electric Light and Power (Power House and Mains) ..	18,281	40,504
Recreation Grounds	2,505	340
City Beautification, Parks, etc.	7,716	18,856
Garden Formation (Parliamentary Area)	30,192	17,822
Molonglo River Improvements	10,398	1,196
Farinhouses--Additions and Improvements	4,991	529
Interest on Loans	43,694	121,156
Holiday Pay—9th to 10th May, 1927 .. .. .	..	6,077
Plant and Equipment (including £24,625 on Brickworks)	61,360	75,495
War Memorial Competition .. .. .	..	2,040
Forestry .. .. .	..	4,855
Commissariat Equipment .. .. .	..	18,360
Miscellaneous	34,526	22,391
	213,663	329,621
Social Service .. .. .	..	4,007
New Fencing .. .. .	..	2,249
Land Acquisition	8,690	21,873
	8,690	24,122
Total	1,476,207	1,911,693

12. Revenue.—The revenue for the Federal Capital Territory from 1st July, 1924, to 30th June, 1927, was as follows:—

For the year ended 30th June, 1925 ..	£90,476
For the year ended 30th June, 1926 ..	154,395
For the year ended 30th June, 1927 ..	388,987

D. NORFOLK ISLAND.

1. Area, Location, etc.—Norfolk Island, discovered by Captain Cook in 1774, is situated in latitude 29° 3' 45" south, longitude 167° 58' 6" 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 New Zealand 400 miles. The coast line is 20 miles, and its form that of an irregular ellipse. Except on the south-west, inaccessible cliffs rise from the water's edge. The climate is equable, the temperature ranging between 56° and 82°, with a mean of 68°. The average annual rainfall is 55 inches. It has been said that the salubrious climate, coupled with the beauty of its land and sea scapes, should combine to render Norfolk Island "the Madeira of the Pacific." At present the island is visited annually by a fair number of tourists, but with improved shipping facilities the traffic would considerably increase.

2. Settlement.—The first colonization, in 1788, was by Lieutenant King, who in H.M.S. *Sirius* 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 numbered 193—94 males and 99 females—and were the descendants of British sailors and Tahitian women.

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. In 1913, however, the Federal Parliament provided for the taking over of the island as a territory of the Commonwealth, and since the 1st July, 1914, the island has been administered by the Department of Home and Territories, Melbourne, through an Administrator and Chief Magistrate. There is an Advisory Council, consisting of twelve members, presided over by the Administrator. Six of the members are elected by the residents, and six are nominated by the Administrator. The powers and duties of the Council were laid down in Ordinance No. 2 of 1925. According to this Ordinance the Executive Council has the oversight of public roads and reserves, etc. It may transmit to the Administrator for submission to the Minister proposals for new Ordinances or for the repeal or amendment of existing ones, and it may make by-laws in connexion with local matters.

4. Population.—The population on 30th June, 1926, was 365 males and 381 females, a total of 746. In the year 1925—26, 8 births, 9 deaths, and 5 marriages were recorded.

5. Live Stock.—The latest returns of live stock show that there are on the island 2,074 cattle, 575 horses, 140 sheep, and 162 pigs. In addition, there are 5,649 head of poultry.

6. Production, Trade, etc.—The soil throughout is rich, and is specially suitable for the cultivation of citrus fruits, bananas, and (in parts) coffee. Various other sub-tropical fruits thrive well. During 1925—26, the production of oranges was 3,657 cases; bananas, 3,779 cases; passion fruit, 1,360 bushels; coffee, 3,310 lb.; and pineapples, 250 dozen. There are many thousands of lemon trees and guavas growing wild throughout the island.

Large numbers of whales pass the island throughout the season, but owing to old-fashioned methods very few are captured. With the employment of up-to-date appliances the whaling industry might be of great importance. The preserved fish industry also offers a field for commercial energy; such fish as trevalla, kingfish, snapper, and many others, are plentiful. 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 monthly steamship service between Norfolk Island and Sydney is carried on by Burns, Philp and Co., while the New Zealand Government steamer *Hinemoa* has established a four-monthly service with Auckland.

Imports and exports for the last five years are given hereunder:—

IMPORTS AND EXPORTS, 1921-22 TO 1925-26.

Heading.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
	£	£	£	£	£
Imports.. ..	14,312	15,461	22,023	17,190	18,882
Exports.. ..	4,305	3,754	3,170	3,901	6,156
Total	18,617	19,215	25,193	21,151	25,038

7. Social Condition.—Education is free and compulsory up to the age of fifteen years. The school is under the New South Wales Department of Public Instruction, with standards corresponding to the State public schools, but the salaries and allowances of the teachers are paid by the Norfolk Island Administration. The number of scholars enrolled on the 30th June, 1926, was 137.

The Magistrates' Court has criminal jurisdiction in all crimes except capital offences, civil jurisdiction in all matters, and authority to grant probate and letters of administration.

8. Finances.—The receipts and expenditure for the year 1925–26 were as follows:—

NORFOLK ISLAND.—RECEIPTS AND EXPENDITURE, 1925–26.

Heading.	Receipts.	Heading.	Expenditure.
	£		£
Brought forward	3,766	Salaries	3,505
Commonwealth Subsidy	3,500	Repairs of Government Buildings	1,062
Tariff Collections in Sydney	601	New Work	104
Interest on Funded Stock	114	Miscellaneous	870
Postal Department	118	Purchase of Liquor	304
Fees, etc.	598	Balance carried forward	3,217
Sale of Liquor	365		
Total	9,062	Total	9,062

Traffic in intoxicating liquor is prohibited, and the item "Sale of liquor" in the table refers to liquor dispensed under medical prescription.

E. NEW GUINEA.

1. THE ISLAND OF NEW GUINEA.

1. Geographical Situation of New Guinea.—New Guinea, frequently described as the largest island in the world, lies to the north of Australia, between 0° 25' and 10° 40' S. latitude, and between 130° 50' and 150° 35' E. longitude. Its estimated area exceeds 300,000 square miles, the greatest length being 1,490 miles, and the greatest breadth 430 miles.

2. Discovery.—The island was probably sighted by Abreus in 1511. The first visit by Europeans was apparently either that by the Portuguese Don Jorge de Meneses on his way from Goa to Ternate in 1526, or that by the Spaniard Alvaro de Saavedra in 1528. In 1606 Torres, having parted company with De Quiros at the New Hebrides, sailed, on his way to the Philippines, through the strait which separates the island from Australia, and which now bears his name.

3. Colonization.—In 1793, New Guinea was annexed by two commanders in the East India Company's service. Since that date the Dutch have made extensive surveys of the western portion, and the British and Germans have occupied and colonized the eastern. In September, 1914, German New Guinea was seized and occupied by Great Britain by means of a force raised and dispatched by the Australian Government.

4. Partition.—The three colonizing powers agreed to the partition of New Guinea, each having suzerainty over islands adjoining its own territory. The whole of the portion west of the 141st degree of latitude, comprising about 150,000 square miles, or nearly half the island, belongs to the Dutch. The eastern half was divided in almost equal portions between Great Britain and Germany, the area possessed by each (with adjacent islands), being about 90,000 square miles. An Anglo-German boundary commission appointed for the purpose of defining the boundary between the territories of the two nations, started operations on 26th December, 1908, and completed the field-work on 27th October, 1909. The total length of boundary delimited was 66½ miles. The Dutch colony forms part of the residency of Ternate in the Moluccas, and has not been extensively developed. The German protectorate, where considerable commercial development had taken place, included the northern part of the eastern half of the mainland, known as Kaiser Wilhelm's Land, and the large islands of the Bismarck Archipelago and the two northernmost of the Solomon Group, as well as nearly 200 smaller islands. The south-eastern portion of New Guinea, nearest Australia is a dependency of the Commonwealth of Australia. The German Pacific protectorate was terminated in 1914, and is now held under a mandate by the Commonwealth of Australia.

2. PAPUA.

§ 1. General Description of Papua.

1. **Early Administration.**—Particulars of the early administration of Papua were given in Official Year Book No. 19, p. 576, but owing to limitations of space have not been included herein.

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 the 18th March, 1902, and was accepted by the Commonwealth by the Papua Act 1905, which came into force by virtue of the proclamation aforesaid. The transfer was made under the authority of section 122 of the Constitution (see p. 33 hereinbefore). The Territory is now under the administration of the Commonwealth, but not included within it, and is divided into eleven magisterial districts.

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 on 4th April, 1921, was 1,343, made up of 961 males and 382 females. Included in these figures were 79 persons, who were passengers and crew of the s.s. *Marsina*, which was at Samarai at the taking of the Census. The following table gives the white population in each of the last five years:—

WHITE POPULATION OF PAPUA, 1922 TO 1926.

YEAR ENDED 30TH JUNE.

1922.	1923.	1924.	1925.	1926.
1,104	1,086	1,276	1,371	1,452

The chief occupations of the non-indigenous population at the taking of the Census were:—Government officials and employees, 132; commercial pursuits, 150; shipping, 124; tropical agriculture, 266; missionary work, 144; mining, 159.

It is not possible to give exact data regarding the number of natives, because a large area of the interior is not yet under Government control. The official estimate is 275,000. Such censuses of the native population as have been taken during recent years point to a slight increase. The coloured population, other than Papuans, numbered on 4th April, 1921, 577, and included many mission teachers from Samoa, Fiji, and other Pacific Islands. On the same date, half-castes, with one of the parents a European, totalled 158. 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 Lieutenant-Governor to persons of special skill required for employment as overseers or foremen.

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

1. **Native Labour.**—(i) *General.* The rights of both employer and labourer are conserved by the Native Labour Ordinances. Service on the part of the native is voluntary, and he must be justly treated, and properly housed and fed. Employers may recruit personally, or obtain their natives through a licensed recruiter. Contracts of service must be in writing entered into before a magistrate or other qualified officer, and the natives must be returned to their homes on completion of engagement. During the period of service the recruiter or employer is responsible for the native's welfare. Refusal to work after an engagement, or desertion from service, renders the labourer liable to imprisonment. On the other hand, a magistrate may terminate an engagement where unjust or harsh treatment by the employer is proved. The term of indenture must not exceed three years, and in the case of miners and carriers the limit is eighteen months, but re-engagements may be made. The magistrate must satisfy himself that the remuneration is fair, that the native is willing to undertake the service, and that there is no probability of unfair treatment or detention. Wages must be paid in the presence of an officer. A medicine-chest stocked with necessary drugs and first-aid instruments must be kept by all employers. The table hereunder gives particulars regarding native labour during the last five years:—

PAPUA.—NATIVE LABOUR, 1922 TO 1926.

Year ended 30th June—	Natives Engaged.	Natives Paid Off.			
		Number.	Wages Paid.		Average Annual Wage per Native.
			£	s. d.		£	s. d.
1922	4,590	6,251	57,474	0 8	9 3 10
1923	5,473	4,893	47,993	6 11	9 16 2
1924	6,206	4,959	42,776	7 8	8 12 6
1925	6,817	4,661	46,019	14 5	9 17 5
1926	6,716	6,317	63,082	17 5	9 19 8

In addition 1,183 natives were employed in the Territory in 1925 who were not under a contract of service.

Hitherto the supply of native labour has been sufficient to meet the demand, while last year the labour offered exceeded requirement.

Natives in charge of vessels owned by Europeans, drivers of launches and motor lorries, carpenters and other skilled labourers receive from £3 to £10 per month.

2. **Native Taxes.**—Under the Native Taxes Ordinance, passed in 1918, a tax not exceeding £1 may be imposed on natives, excepting native constables, mission teachers, natives unfit for work, and those who have not less than four living children. The proceeds of the tax must be expended on education, or devoted to purposes directly benefiting the natives, as may be prescribed.

The taxes collected in 1925–26 amounted to £16,204 net, of which £6,482 was transferred to the Native Education Fund, and £9,722 to the Native Benefit Fund. The Native Education Fund during the year 1925–26 disbursed to primary and technical education £6,198 and to agricultural education £3,666, leaving a credit balance of £28,068. From the Benefit Fund the expenditure included:—Anthropology £811, health £6,908, village improvements £489, family bonuses £1,338—leaving a credit balance of £2,672.

3. **Care of Half-caste Children.**—An Ordinance was passed on the 11th September, 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.**—During the year natives to the number of 1,884 were admitted to the native hospitals in Port Moresby and Samarai. The chief complaints treated were yaws, ulcers, lung affections, and gonorrhœa. Three travelling medical officers and two European medical assistants were employed, and native medical assistants are being trained by

them. Two qualified doctors are now employed by mission societies, and these have assisted greatly in improving the health of the natives. The work done consisted chiefly of dealing with cases of yaws by means of the latest arsenical drugs, the distribution of hookworm treatment, and the control of venereal diseases. Out of an average of 9,672 native labourers employed by Europeans, 118 died, as compared with 138 during the previous year.

§ 4. Land Tenure.

1. **Method of Obtaining Land.**—(i) *The Land Laws.* 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 and is subject to reassessment at fixed periods.

A detailed account of the method of obtaining land was given in Official Year Book No. 6, pp. 1093-4.

(ii) *The Leasehold System.* With a view of attracting pioneer settlers, an ordinance was passed in 1906 under which leases were granted on very liberal terms. No rent was payable for the first ten years, the heavy expense of survey was borne by the Government, and no charge was made for the preparation and registration of the leases. Under this system, the area under lease increased in four years from 2,089 acres to 363,425 acres ; about 140 plantations were started, and nearly 1,000 acres planted during that period. Since 1st June, 1910, however, no leases exceeding 5,000 acres in extent have been granted, and rent at the rate of 3d. per acre must be paid from the commencement of all leases exceeding 1,000 acres in area.

2. **Holdings.**—(i) *General.* On the 30th June, 1926, the lands of the Territory were held as follows :—

PAPUA.—HOLDINGS, 1926.

Description.	Area.
	Acres.
Land held by the natives	56,929,196
Crown land	806,353
Freehold land	23,085
Leasehold land	186,966
Area of Territory	57,945,600

Private sales of land in the Territory have now practically ceased. The Government buys from the natives, and then leases to planters, who are forbidden to have direct dealings in land with Papuans.

(ii) *Leaseholds.* The position as regards leasehold tenures may be seen from the following table :—

PAPUA.—LEASEHOLDS, 1921-22 TO 1925-26.

Year ended 30th June ..	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
Land held under lease .. acres (as recorded)	219,181	193,494	190,124	188,348	186,966

Of the total area of 186,966 acres shown above, agricultural leases accounted for 179,606, pastoral leases for 5,386, special leases for 906, mission leases for 810, and other leases for 258 acres.

The area of land acquired by the Crown in 1925-26 was 223 acres.

The total area surveyed in the Territory is 21,693 acres of freehold, and 258,800 acres of leasehold.

§ 5. Production.

1. *General.*—The products of the Territory are obtained from its agricultural, forestal, fishing, mining, and manufacturing industries. For many years gold-mining yielded the largest returns, but the production has dwindled considerably owing to the exhaustion of the alluvial deposits. Satisfactory results are, however obtained from copper-mining on the Astrolabe field. There is also the possibility of obtaining petroleum in marketable quantities. Amongst plantation products, copra occupies the foremost place, but little planting has been done in recent years. Portions of the Territory appear well suited for cotton cultivation.

2. *Agriculture.*—(i) *Soil and Rainfall.* The physical features of Papua are favourable to agriculture. Rich soils at varying elevations, and heavy and evenly-distributed rainfall favour the cultivation of a variety of tropical products including sugar cane, coconuts, 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. There are 22 meteorological stations throughout the Territory, and an economic museum and agricultural library have been established.

(ii) *Plantations.* On 31st December, 1925, there were 297 plantations. Agricultural settlement has been mostly in the Central and Eastern Divisions, and the area planted was 62,981 acres, as against 61,180 in 1924. The principal plantation crops are coconuts, rubber, and sisal hemp. There is also some cultivation of bowstring hemp, kapok, coffee, tobacco, vanilla, cocoa, tapioca, cinnamon, tea, rice, and maize. The natives are compelled by an ordinance to plant coconuts for food supply. In addition to the coconuts in these plantations, many more are planted over small and widely scattered areas by the older natives in accordance with custom. The following table shows the areas under the different cultures at the end of December, 1925 :—

PAPUA.—AREA OF PLANTATIONS, 1925.

Description.	Area.
	Acres.
Coconuts	50,506
Rubber	7,728
Hemp	3,560
Coffee	24
Rice	20
Cotton	657
Other cultures (including fruit trees)	486
Total	62,981

The quantities of copra and rubber exported during the year ended 30th June, 1926, were :—Copra, 8,419 tons; rubber, 640 tons. There has been a slight increase in the acreage under coconuts, and a decline in the acreage under rubber, cotton and hemp.

(iii) *Government Plantations.* There are two Government plantations, the Orangerie Bay coconut plantation, and the Kemp Welch rubber plantation. The profits from these plantations last year were £8,780, as against £5,362 in 1924–25.

3. *Forestry.*—According to the Commonwealth Forestry Adviser the principal softwood timber is known as “ilimo,” while among satisfactory timbers of the lowlands are “nara,” “medobi,” and “melila.” There is 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.**—On 31st December, 1925, the live stock in the Territory consisted of 640 horses, 5,540 head of cattle, 156 mules, 7 donkeys, 2,961 goats, and 676 pigs. A Government stud-farm has been established for the breeding of horses. The introduction of rabbits, foxes, hares, and monkeys is prohibited.

5. **Fisheries.**—Pearl-shell fishing occupies an important place in the industries of Papua. A considerable number of luggers is licensed, but the returns are 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 the Territory. 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, brown coal, lignite, and petroleum. The existence of petroleum has been traced at scattered intervals over a large area. Besides the area being worked for the Commonwealth by the Anglo-Persian Oil Company, there are eight mineral oil and coal licences in existence, embracing an area of approximately 7,342 square miles. The above company and the Vogel Petroleum Coy. Ltd., near Cape Vogel, have been working almost continuously. The others have done practically no work during the year under review. Several bores have been put down, one to a depth of 2,700 feet; but so far oil in payable quantity has not been struck.

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

(ii) *Gold.* In 1888 the first gold was discovered, and the search gradually spread over every division, finds being reported wherever the explorers went. The yield in 1923–24 was the lowest recorded since 1895, but it has improved considerably during the last two years.

The total quantity, in fine ounces, and the value as returned of the gold yield for the last five years are given below :—

PAPUA.—GOLD YIELD, 1921–22 TO 1925–26.

1921–22.		1922–23.		1923–24.		1924–25.		1925–26.	
Quantity.	Value.								
fine ozs.	£								
12,491	58,615	5,084	22,494	1,441	6,704	4,153	17,642	6,388	27,135

Most of the rivers, with the exception of 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 30th June, 1926, was £1,707,212.

(iii) *Copper.* The New Guinea Copper Mines Ltd., on the Astrolabe field, after overcoming many initial difficulties have now entered upon the producing stage, and it is anticipated that a steady output will be maintained from the mines controlled by the Company. During the year 1925–26 the shipments to Australia amounted to about 7,000 tons of 21.2 per cent. copper matte, and 173 tons of 98.3 per cent. blister copper of a gross total value of £124,262. The total value of the copper exported to the 30th June, 1926, was £330,398.

(iv) *Osmiridium*. The existence of osmiridium had been known for some years, but for some time no serious attempt was made to collect it, the alluvial gold miner often picking out the larger slugs of the metal from his gold parcel and throwing them away. The production in 1925-26 amounted to 50 ozs., valued at £1,500.

(v) *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 are at least 10,000,000 h.p. available for this purpose.

§ 6. Finance, Trade, Postal and Shipping.

1. *Finance*.—The revenue for 1925-26 exceeded that of the previous year by £31,597, the chief increase being in sale of produce from Government plantations, and Customs and Excise. The principal sources of revenue were as follows:—Commonwealth Grant, £50,000; Customs and Excise, £62,717; Government Plantations, £15,965; Fees of Office, £7,385; Land Revenue, £4,967; Post Office, £3,579; Port and Wharfage Dues, £2,640; Miscellaneous, £13,779.

The expenditure was £13,372 more than that of the previous year. The loan from the Commonwealth was reduced by £7,529; £8,442 was spent on Government Plantations; the balance of £4,233 represents increases in the Government Secretary's, Public Works, and Medical Departments.

Returns of revenue and expenditure for the last five years, exclusive of Commonwealth grants, are given hereunder:—

PAPUA.—LOCAL REVENUE AND EXPENDITURE, 1921-22 TO 1925-26.

Item.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
	£	£	£	£	£
Revenue	68,138	63,124	77,750	82,909	116,367
Expenditure	124,912	123,691	131,640	143,831	157,203

2. *Trade*.—The value of imports and exports for the last five years is shown in the table below:—

PAPUA.—VALUE OF IMPORTS AND EXPORTS, 1921-22 TO 1925-26.

Particulars.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
	£	£	£	£	£
Imports.. .. .	305,705	315,423	354,965	459,080	470,774
Exports.. .. .	220,236	179,452	239,408	367,629	649,373
Total Trade	525,941	494,875	594,373	826,709	1,120,147

The removal in 1925 of the Navigation Act, and the adoption of the Commonwealth system of bounties and preferential duties towards certain products of Australia's Pacific Island territories may be expected further to stimulate trade.

As in all new countries, the imports consist chiefly of articles necessary for the primal needs of the community, such as agricultural products and groceries, drapery, machinery, tobacco, oils, paints, beverages, wood, wicker and cane, drugs, etc. The chief items of export during the last five years are as follows :—

PAPUA.—PRINCIPAL EXPORTS, 1921-22 TO 1925-26.

Article.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
	£	£	£	£	£
Osmiridium	959	2,790	3,553	3,630	1,500
Gold	68,726	22,494	6,702	14,980	32,450
Copra	87,377	112,481	136,659	172,905	204,097
Rubber	5,826	5,907	33,334	68,507	194,849
Hemp	4,630	..	1,125	13,141	7,695
Copper Ore	13,514	14	120	41,674	155,305
Pearl Shell and Trochus Shell	4,043	1,868	6,120	8,773	14,453
Pearls	5,250	9,797	16,600	19,300	13,249
Bêche-de-Mer	15,045	13,453	10,441	10,351	10,205
Bark	752	..	..	..	..
Cotton .. .. .	..	..	550	3,761	4,866

3. Shipping.—The following table shows the number, tonnage, and nationality of oversea vessels entered and cleared at ports during the years 1921-22 to 1925-26. The whole of the tonnage was British.

PAPUA.—OVERSEA SHIPPING, 1921-22 TO 1925-26.

Year.	Vessels.	Tonnage.
1921-22	127	74,206
1922-23	143	77,676
1923-24	99	68,170
1924-25	120	78,613
1925-26	115	129,553

Throughout, the figures are exclusive of ships of war and Government vessels.

§ 7. Progress of Papua.

1. Statistical Summary.—As already stated (§ 2, *supra*) the Territory was placed under the Commonwealth control on 1st September, 1906. The following table indicates the progress that has been made since that date :—

PAPUA.—STATISTICAL SUMMARY, 1907 TO 1926.

Items.	Year ended 30th June—	
	1907.	1926.
White population	690	1,452
Native labourers employed	2,000	9,672
Number of white civil servants	65	132
Armed constabulary	185	272
Village constables	401	1,024
Territorial revenue	£21,813	£116,367
Territorial expenditure	£45,335	£157,203
Value of imports	£87,776	£470,774
Value of exports	£63,756	£649,373
Area under lease	acres 70,512	186,966
Area of plantations	acres 1,467	62,981
Meteorological stations established	3	22
Gold yield	fine ounces 12,439	6,388
Live stock in Territory—		
Horses	173	640
Cattle	648	5,540
Mules	40	156

3. THE TERRITORY OF NEW GUINEA

§ 1. General Description.*

1. **Area and Geographical Position.**—The present Territory of New Guinea comprises that portion of the German New Guinea Protectorate which lay south of the equator (excepting only the island of Nauru, see F hereinafter), and which was known in German times as the "Old Protectorate." The principal islands (with their German names if these differ from those now in use) and their approximate areas are as follows :—

AREA OF TERRITORY OF NEW GUINEA.†

Particulars.	Approximate Area.
North-East New Guinea (Kaiser Wilhelm's Land)	70,000
Bismarck Archipelago—	
New Britain (Neu Pommern)	13,000
New Ireland (Neu Mecklenburg)	3,000
Lavongai (New Hanover or Neu Hannover)	600
Admiralty Islands and North-Western Islands	1,000
Solomon Islands—	
Bougainville	3,200
Buka	200
Total	91,000

2. **North-East New Guinea.**—(i) *General.* North-East New Guinea (Kaiser Wilhelm's Land) is the north-eastern part of the island of New Guinea. Much of the interior, which is rugged and mountainous, with heights reaching to over 13,000 feet, is still unexplored. The mountain ranges approach the coast, leaving comparatively little flat land near sea level, but this narrow strip is very fertile. All trade and communications are by sea along the coast, and the interior is left almost wholly to the native population.

(ii) *Coast-line.* The coast-line, which is over 900 miles long, is in parts fringed with coral reefs, and there are many small, lofty islands along its course. Except for Huon Gulf in the little developed east of the country, there are no deep inlets. Langemak Bay has commodious anchorage in deep water, and Finsch Harbour has landlocked anchorage for small vessels. Astrolabe Bay has two or three sheltered harbours, including Melanua, Madang (Friedrich Wilhelm Harbour) and Sek, which are the best on the coast. There are many other anchorages suitable, in certain winds, for schooners and small steamers.

(iii) *Rivers.* There are many rivers, of which the most important are the Sepik (Kaiserin Augusta) and the Ramu (Ottilien). The Sepik rises near the junction of the boundaries of Dutch New Guinea and Papua, and flowing easterly reaches the coast in latitude 4° S. It is navigable for 60 nautical miles by large ocean steamers, and for 300 nautical miles by steamers drawing from 10 to 13 feet. In 1914, a vessel of 50 tons ascended the river for 450 miles; it was then in flood and 7 fathoms deep at this distance, while at low water the depth was said to be 4 fathoms.

The Ramu rises in about 6° S. latitude and, flowing northwards, enters the sea near the mouth of the Sepik. It has been navigated, though with great difficulty, by flat-bottomed steamers for nearly 200 miles from its mouth.

3. **Bismarck Archipelago and Solomon Islands.**—(i) *General.* The islands of the Bismarck Archipelago and the Solomons are generally mountainous, with level ground near the coasts alone. The only low-lying islands are some in the Duke of York and Admiralty Group. The islands of Bougainville and Buka (Solomons) are equally rugged; Bougainville contains mountains reaching 10,000 feet. The soil is usually fertile, except on the low coral islands, where fresh water is scarce.

* A map of the Territory was published in Official Year Book No. 16, p. 665.

† In regard to geographical position, see Year Book No. 16, p. 660.

(ii) *Coast Line.* The coasts of the large islands often rise steeply from the water, with bold headlands; but as a rule there is a beach, frequently overgrown with mangroves. Sunken rocks and coral reefs fringe many of the coasts, especially of the low islands. There are many good harbours, the chief being Blanche Bay, in New Britain, containing the good anchorages of Matupi Harbour and Simpson Harbour; Kavieng Harbour in New Ireland; Mioko in the Duke of York Islands; Peter Harbour in the Vitu Islands; Nares Harbour in Manus Island; and Queen Carola Harbour in Buka Island.

(iii) *Rivers.* Most of the streams in these islands are too shallow and too rapid for navigation.

§ 2. Climate and Health.

1. *General.*—The Territory has a moist tropical climate, with small differences between daily and seasonal extremes of temperature. There is no cool season, rain falls in all months, and the humidity is high. The Territory is outside the area of typhoons, but strong winds are not uncommon, and damage is occasionally done to plantations.

2. *Temperature.*—The mean annual temperature on the coast is about 26° to 27.5° C. (79° to 81° F.)—a moderate temperature for the latitude—and the difference between the means of the coldest and warmest months is not more than 2° F.

3. *Rainfall.*—There is no really dry season. At Rabaul the period of the north-west monsoon, November to April, is wetter than that of the south-east trade from May to September or October; but in some other places, especially the south coast of New Britain and in the vicinity of Finsch Harbour, the south-east trade brings the principal rains. The position of the coast with regard to the direction of the prevailing winds is the decisive factor in the rainfall. The annual rainfall amounts, at nearly all the stations at which observations have been made, to over 80 inches. Additional information under this heading is given in Official Year Book No. 18, page 642.

4. *Humidity.*—The humidity is very high. Observations taken at Rabaul during the years 1916 to 1921 showed an average humidity of 75 per cent., and the variation in the monthly means was only from 69 per cent. (October) to 80 per cent. (April). At Madang, during the same period, the yearly average was 80 per cent., the lowest monthly mean 77 per cent. (August), the highest 83 per cent. (April). During the same period at Kieta (Bougainville) the mean was 78 per cent., the minimum 74 per cent. (August and October), and the maximum 80 per cent. (June).

5. *Influence on Health.*—The climate in North-East New Guinea and at many places in the Bismarck Archipelago and the Solomon Islands is enervating for Europeans. At some places, however, and notably at Rabaul, the heat and humidity are tempered by the constant breezes, and it is possible for Europeans, with careful attention to diet and exercise, and precautions against diseases, to maintain good health. When the measures taken against malaria and other diseases have produced their full effect, and use has been made of places in the mountains suitable for sanatoria, it is hoped that a satisfactory average of health will be maintained.

§ 3. Government.

1. *The Military Occupation.*—On the 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. *Mandate.*—The Mandate in accordance with which the Territory of New Guinea is administered by the Commonwealth was issued by the League of Nations in December, 1920. The terms of the Mandate appear in Official Year Book No. 16, p. 662-3.

3. *New Guinea Act.*—In anticipation of the issuing of the Mandate, the Commonwealth Parliament had already, in September, 1920, passed the New Guinea Act 1920, by which the Governor-General was authorized to accept the Mandate when issued. The Territory was, by the Act, declared to be a Territory under the authority of the Commonwealth, by the name of the Territory of New Guinea.

The Act provided for an Administrator, while power to legislate for the Territory was to be exercised by the Governor-General, and provision was also made for the observance of safeguards in the interests of the natives as set out in the Mandate.

4. **Establishment of Civil Government.**—Official Year Book No. 19, p. 586, contains an account of the establishment of Civil Government of the Territory. Owing to considerations of space however the information is not repeated here.

5. **Expropriation.**—The Treaty of Peace provided that German nationals resident in her former colonies might be repatriated; and that the property rights and interests of German nationals in former colonies might be retained and liquidated by the Allies, the proceeds being credited to Germany in part payment of the reparation payable by her under the Treaty. In pursuance of these powers, in September, 1920, the property of the principal German companies in the Territory, and in March, 1921, that of a large number of German planters, was vested in the Public Trustee; and the management of their businesses and plantations was entrusted (pending the sale or other disposal of the properties) to the Expropriation Board. (See Year Book No. 17, p. 631). In 1926 and 1927 these plantations were transferred to private owners.

6. **Departments and Districts.**—The Administration is organized in eight Departments—Government Secretary; Treasury; Native Affairs; Public Health; Public Works; Customs and Shipping; Lands, Mines, Surveys, and Forestry; and Agriculture.

For administrative purposes, the Territory is divided into eleven Districts, named after the principal stations in them, as follows:—In New Britain—Rabaul, Talasea, and Gasmata; on the Mainland—Morobe, Madang, Aitape, and Sepik; in New Ireland and Lavongai (New Hanover)—Kavieng and Namatanai; in Admiralty Islands and adjoining islands—Manus; in Solomon Islands—Kieta. It is proposed at an early date to amalgamate the districts of Rabaul, Gasmata, and Talasea into one district, to be called the New Britain district, and similarly, to amalgamate the district of Kavieng and Namatanai into a district, to be named the New Ireland district. Each district is under a District Officer, assisted by a small staff.

7. **Statute Law.**—The Acts of the Commonwealth Parliament do not (unless expressly so stated) extend to the Territory, but the *Laws Repeal and Adopting Ordinance* 1921 provided that certain Acts and Ordinances should be applied thereto. (See Year Book, No. 17, p. 631.)

8. **Reports to the League of Nations.**—Six Reports have been rendered to the League of Nations in compliance with Article 6 of the Mandate, the latest being for the year ended 30th June, 1926.

§ 4. Population.

1. **White Population.**—The increase in the white population at various intervals since 1885 is shown in the appended tabulation. On 4th April, 1921, it was 1,288, of whom about 250 were missionaries, and 262 were persons engaged in administration; 715 were British subjects, and nearly all the remainder were nationals of former enemy countries. On 30th June, 1926, the number of Europeans was about 1,550.

TERRITORY OF NEW GUINEA.—WHITE POPULATION, 1885 TO 1926.

Year.					Number.
1885	..	..	..	..	64
1895	..	..	..	..	203
1910	..	..	..	..	687
1914	..	..	..	..	1,027
1921	..	..	..	..	1,288
1926	..	..	..	..	1,550

2. **Asiatic Population.**—Malays seem to have been the first Asiatics brought by the Germans to German New Guinea; 37 of them are 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 its plantations; by 1892 there were about 1,800 on the mainland. By 1898 the number had decreased to 300 or 400, while at present it is less than 250.

About ten years later, Chinese were brought from China to the Protectorate; in 1911 there were 555, in 1914, 1,377, in 1921, 1,424, and in June, 1926, about 1,300.

In 1895 there were 2 Japanese in the Protectorate, in 1911 there were 25, in 1914, 103, in 1921, 87, and in June, 1926, about 55 residents. The total Asiatic population was 1,681 in 1914, and 1,778 in 1921. There were also, in 1921, 28 Polynesians and 69 half-castes.

The number of Asiatics has slightly decreased. In 1925–26 the births of Chinese exceeded the deaths by 28, but departures exceeded arrivals by 52, so that the population decreased by 24. The number of Japanese remained stationary.

The Chinese provide the skilled artisans of the Territory, and many of them are small traders. Most of the Japanese residents are employed in the plantations, shipyards, and stores.

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 table shows the number enumerated in 1925–26.

TERRITORY OF NEW GUINEA.—NATIVE POPULATION, 1925-26 (EXCLUSIVE OF INDENTURED LABOURERS).

Places.	Children.			Adults.			Total.		
	Males.	Females.	Persons.	Males.	Females.	Persons.	Males.	Females.	Persons.
New Britain ..	14,010	11,401	25,411	21,803	21,022	42,825	35,813	32,423	68,236
New Ireland ..	6,702	5,201	11,903	13,097	13,772	26,869	19,799	18,973	38,772
Admiralty Group	2,474	2,276	4,750	4,235	4,774	9,009	6,709	7,050	13,759
Solomon Islands	6,829	5,371	12,200	11,410	12,345	23,755	18,239	17,716	35,955
N.G. Mainland ..	29,622	22,850	52,472	42,682	40,892	83,574	72,304	63,742	136,046
Total ..	59,637	47,099	106,736	93,227	92,805	186,032	152,864	139,904	292,768

The total native population in the Territory is estimated roughly at about 420,000. Whether the number is increasing or decreasing cannot yet be ascertained with certainty. The number of natives indentured as labourers, mostly for plantation work, on 30th June, 1926, was 23,569.

§ 5. The Natives.

1. **General.**—A brief description of the native inhabitants of the Territory was included in Year Book No. 16, page 670. It may be noted here that the natives are divided into two main groups—Melanesian and Papuan—the former, with odd exceptions constituting the population of the Bismarck Archipelago, the Solomon Islands, and the coastal districts of the New Guinea mainland; while the latter inhabit the interior of the mainland. Odd tribes of Negritos are known to exist in the mountains of New Guinea. In the Admiralty Islanders there is a strain of Papuan, and, possibly, of Polynesian blood, while the Western Islanders and the inhabitants of the small islands east and south-east of New Ireland are Micronesians.

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 coconut-bearing 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 coconut 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 differ. Right of inheritance to land is almost invariably through the maternal branch. (See Year Book No. 17, p. 634.)

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. An anthropologist has been appointed by the Commonwealth Government to consolidate the work already done, and to extend it to parts of the Territory which have not yet been covered. The results of his work appear in special reports.

4. **Education.**—The education of the natives was provided for in the "Education Ordinance of 1922," under which the Administrator was authorized to establish schools, grant money therefor, prescribe instruction, and arrange for the training of teachers and other matters. Simultaneously a Native Education Trust Fund was inaugurated, over which the Administrator was given control, and for the benefit of which he was empowered, within certain limits, to levy taxes on the natives and on employers of native labour. The expenditure on native education in 1925-26 was £8,968. This included £1,400 spent in the erection of new buildings. Though the natives are liable to pay education tax none has been collected since 1922-23, whereas a sum of £10,914 was obtained in 1925-26 from a tax levied on employers of native labour.

A Government educational establishment has been founded at Malaguna, near Rabaul, and it is proposed to make it the educational centre for the natives in the Mandated Territory. The buildings which have been erected and are gradually being extended include staff-quarters, class-rooms, work-shops, dormitories, etc. The teaching staff in 1926 consisted of a head-teacher and three assistant teachers. The educational system embraces kindergarten work, elementary education, and technical training. The number of pupils in the Elementary School on 30th June, 1926, was 113, and in the Technical School 44. English has been made the school language. (See Year Book No. 17, p. 635.)

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. The village schools are under native teachers; the most promising pupils pass to the intermediate schools, where they are taught by European teachers assisted by native tutors. At the high schools, teachers are trained for the village schools and tutors for the intermediate schools. Technical training is provided in the vicinity of Rabaul and in parts of the New Guinea mainland, the natives being trained in printing, bookbinding, tanning, bootmaking, carpentry and cabinet work, and the making of ropes, bricks, baskets and mats. At the end of June, 1926, the various missions maintained 1,125 schools, employing 206 European teachers, 7 Asiatic and 1,024 native teachers. The pupils numbered 32,208.

The granting of assistance to the schools is authorized 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 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. Further reference to this subject will be found in Official Year Book No. 18, p. 647.

The Health Department in Rabaul possesses:—(i) a staff of medical officers and orderlies, including travelling doctors; (ii) Native Hospitals at Government stations and sub-stations (its staff also supervises hospitals on plantations); (iii) a laboratory in Rabaul; (iv) training system for natives as medical tul-tuls; (v) scheme of distribution of medical necessaries; (vi) a leper-station near Madang; and (vii) undertakes the general oversight of sanitary conditions. During the year a temporary staff has been employed combating venereal disease.

6. **Missions.**—There are a number of mission societies working in the Territory. The Society of the Sacred Heart of Jesus works in the Bismarck Archipelago, the Society of the Holy Ghost along the coast of North-East New Guinea from Sek to the Dutch border, 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, and the Lutheran Mission (supported and staffed by the Lutheran

Churches in Australia and America), which work along the coast of North-East New Guinea from Sek to the Papuan border. All these societies combine teaching and planting with their missionary work. The missionaries working in the Mandated Territory in 1925 numbered 351, these included American, 21; Austrian, 6; Belgian, 1; British, 50; Dutch, 27; French, 24; German, 208; Italian, 2; Luxemburgese, 5; Polish, 6; Free City of Danzig, 1. Some of the societies have small printing plants by which reading matter in one or other of the native languages is produced.

§ 6. 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 herein.

2. *Land Policy of the Present Administration.*—The Land Ordinance 1922–24 provides for sale as well as leasing of land belonging to the Crown. 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 disposing by sale of the freehold properties taken over from Germans, and which until recently were controlled by the Expropriation Board. Reference to the leasehold system in force will be found in Official Year Book 18, page 648.

During the year 1925–26 leases covering a total area of about 20,000 acres were granted.

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.

§ 7. Production.

1. *General.*—The Territory possesses great natural resources, but their development has barely commenced, and progress in this direction will depend largely on the possibility of securing an adequate supply of suitable labour.

2. *Agriculture.*—(i) *General.* No estimate has yet been made of the area of land suitable for agriculture; but it is certain that the area already alienated, if planted to its full capacity, would be far greater than the present native population could cultivate.

The natives have been described as a people of peasant proprietors, and everywhere they practise a crude form of agriculture. Their gardens afforded but a small amount of produce for oversea trade, and the exports of the Protectorate grew only as European plantations were made. The average of the latter increased slowly, for the Protectorate is almost everywhere covered with forest, and the clearing and planting of the land, even if labour can be had, necessarily occupy considerable time. At the present stage, roads fit to carry wheeled transport are of paramount importance.

Under the supervision of the Director of Agriculture, soil analyses have been undertaken in different parts of the Territory, and experimental stations have been founded in Rabaul, Bita Paka, and in the Markham Valley. A laboratory and a herbarium have been established, and the appointment of an entomologist to deal with plant pests has been provided for. During the year under review a staff was appointed, and work begun in the Markham Valley in connexion with the application of the policy of native agricultural development. The crops selected for native cultivation are cotton, maize, and ground-nuts.

(a) *Tobacco.* This crop has been cultivated with success at Astrolabe Bay in North-East New Guinea, and in the Bismarck Archipelago. Tobacco of high quality, rivalling the best Sumatra leaf, is said to have been produced. Later, the growing of tobacco on European plantations was abandoned, partly, it is said, for want of intelligent labour, although it continued to be grown by the natives for their own use.

(b) *Cotton.* In 1924–25 the Government obtained 1,615 lb. of cotton seed, and experiments are being carried on at the experimental stations as well as by private planters, including a few natives. During the year 1925, 30 acres were planted with cotton.

(c) *Sisal Hemp*. There was a steady although small export of sisal hemp in German times. The quantity exported in 1913 was 10 tons, but none seems to have been exported since 1914.

(d) *Cocoa*. Cocoa has been successfully grown, principally at Vitu (French Islands); in 1913, 137 tons were exported. The yield in 1925-26 was 89 tons.

(e) *Coffee*. Coffee is grown, but to little extent, the production last year being only 884 lb.

(f) *Rubber*. On the mainland a small area has been planted with *Ficus elastica*, but in consequence of the low price of the inferior rubber produced from this source the trees are not being tapped.

(g) *Copra*. Indigenous in most of the islands, the coconut palm yielded copra to the traders from the beginning of European trade, and the plantations, commenced in 1883, have steadily extended in area and production. The quantity exported in 1925-26 was 45,806 tons, an increase of 6,655 over the figures for the previous year. The area under coconuts increased from 76,845 acres in 1914 to 174,030 acres on 30th June, 1926, of which 114,227 were in bearing.

(h) *Other Crops*. The climate and soil of the Territory are suitable for the cultivation of rice, Manila hemp, cinchona, nutmeg, vanilla 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.

(i) *Plants Yielding Power Alcohol*. It seems probable that alcohol for power purposes will be obtainable economically from the Territory. The sago palm and nipa palm yield as much as 60 gallons a ton, and in places are very abundant.

(ii) *Area of Plantations*. The area of plantations and the crops grown thereon are shown in the table hereunder for the year ended 30th June, 1926. The figures are exclusive of native plantations.

TERRITORY OF NEW GUINEA.—PLANTATIONS, 30th JUNE, 1926.

Particulars.	Government Plantations.	Privately owned Plantations.	Controlled by Expropriation Board.	Total.
Area of Holdings acres	6,691	120,118	294,558	421,367
Area Cleared "	2,493	68,491	119,624	190,608
Area Cleared and Planted "	2,413	62,970	116,735	182,118
Coconuts—				
Area Planted acres	2,410	58,139	113,481	174,030
Area Bearing "	1,064	37,394	75,769	114,227
Rubber—				
Area Planted acres	..	279(a)	2,478(a)	2,757(a)
Area Bearing (a) .. .. "	..	..	..	..
Cocoa—				
Area Planted acres	..	119	(b)	(b)
Area Bearing .. .. "	..	..	(b)	(b)
Coffee—				
Area Planted acres	..	6	..	6
Area Bearing "	..	6	..	6
Cotton—				
Area Planted acres	..	30	..	30
Area Bearing .. .. "	..	..	..	..
Maize—				
Area Planted acres	..	180	..	180
Area Bearing "	..	133	..	133
Native Food—				
Area Planted acres	89	2,118	216	2,423(c)
Area Bearing(b) "	65	1,071	..	1,136(c)

NOTE.—(a) Rubber not tapped. (b) Not available. (c) Native food of all kinds is mostly grown between young coconut palms not yet in bearing, therefore the total area cleared and planted does not agree with the detailed areas under various crops.

The area of plantations at various periods from 1885 to 1926 is shown hereunder. As in the case of the previous table, the figures are exclusive of native plantations:—

TERRITORY OF NEW GUINEA.—PLANTATIONS, 1885 TO 1926.

Year.					Total Area.	Area in Coconuts (including Area not in Bearing).
					Acres.	Acres.
1885	..	..	..	..	148	(a)
1895	..	..	..	..	2,152	(a)
1911	..	..	..	..	58,837	51,510
1914	..	..	..	..	84,941	76,845
1924	..	..	..	..	179,163	172,373
1926	..	..	..	..	182,118	174,036

(a) Not recorded.

3. **Live Stock.**—There is little natural pasture in the Territory, but the coconut 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 trees. In 1926 there were 821 horses, 10,163 cattle, 3,020 sheep, 5,204 goats, and 5,982 pigs (exclusive of the large number of pigs kept by the natives). (See also Official Year Book No. 16, page 677.)

4. **Timber.**—An investigation of the timber resources of the Territory has been made by the Commonwealth Forestry Adviser, and a report in connexion therewith was published in 1926. The timber required for house and ship-building and for other purposes is mostly obtained locally. In North-East New Guinea the Neundettelsauer Mission and the Holy Ghost Mission both possess up-to-date saw-milling plants, while most of the timber required in the Archipelago is supplied by the Sacred Heart Mission's saw-mill, and by a privately-owned mill, both at the eastern end of New Britain.

The Timber Ordinance 1922 provides for the issue of permits and licences to cut timber. 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 to be paid on all timber exported.

5. **Fisheries.**—The wealth of the waters of the Territory has so far 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 trepang, shark fins, trochus-shell, and tortoise-shell also figure amongst the exports. The value of marine products exported in 1925-26 was £56,093, compared with £17,279 the previous year.

6. **Mining.***—There has been little mining in the Territory, and knowledge of the mineral resources is as yet but scanty. Gold has, however, been discovered on the Waria, the Ramu, the Francisco, and the Markham Rivers, etc. Rich gold was discovered in the Morobe District in 1926; the field is not very extensive and is situated 60 miles inland. Communication has been 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 Kabenau River. Copper has been discovered in the form of chalcopyrite and malachite in the Baining District. Iron occurs as magnetite and hæmatite in the Baining District, apparently in large quantities. Sulphur occurs in several localities in the volcanic regions of the Territory. Phosphates suitable for use in the making of manures are found in the Purdy Islands. Brown coal has been found on the mainland in the vicinity of Astrolabe Bay, and in the southern portion of New Ireland.

* Fuller details in regard to minerals in the Territory will be found in E. R. Stanley's Report on Salient Geological Features and Natural Resources of the Territory (printed as Appendix B. to the Report for 1921-22).

The number of miner's rights issued during 1925-26 was 104. The quantity of gold exported from the Territory during the year was 10,067 ounces.

By the Mining Ordinance of 1923, private companies incorporated or registered in the Territory, two-thirds of whose shares are held by British subjects, became eligible to engage in prospecting and mining for mineral oil and coal. On the 30th June, 1926, the number of licences to prospect for mineral oil and coal was 13.

§ 8. Trade.

1. **Total Trade.**—The value of the imports, exports, and total trade at various periods since 1887, and during each of the last five years, is given in the table hereunder :—

TERRITORY OF NEW GUINEA.—TRADE, 1887 TO 1926.

Year.	Imports.	Exports.	Total.
	£	£	£
1887	17,133	19,580	36,713
1897	36,713	31,352	68,065
1907	166,585	97,563	264,148
1921-22	468,711	499,197	967,908
1922-23	516,855	630,892	1,147,747
1923-24	485,634	718,535	1,204,169
1924-25	537,940	858,990	1,396,930
1925-26	568,339	1,105,158	1,673,497

The import values are exclusive of money and Government stores. In 1925-26 the imports were distributed as follows :—From Australia, £484,090; America, £24,682; China, £9,555; Dutch New Guinea, £46; India, £45,942; Japan, £2,848; Straits Settlements, £1,176.

2. **Principal Items of Import.**—The principal items of import during each of the last five years are given in the following table :—

TERRITORY OF NEW GUINEA.—IMPORTS, VALUE OF ITEMS, 1921-22 TO 1925-26.

Commodity.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
	£	£	£	£	£
Foodstuffs	113,238	181,492	137,638	187,660	179,354
Beverages (non-alcoholic) ..	1,360	2,235	6,428	6,896	5,973
Alcoholic Liquors	29,703	30,414	28,587	24,459	21,012
Tobacco	41,392	50,746	39,564	43,430	36,375
Live Animals	4,276	1,351	1,114	3,319	1,943
Copra Sacks	23,152	15,701	18,428	25,960	42,200
Apparel, Textiles	37,842	82,113	74,092	65,385	78,397
Oils, Paints	26,506	21,923	22,066	28,957	24,745
Hardware and Machinery ..	27,949	37,999	52,347	39,946	68,895
Motor Cars and Accessories	11,953	14,579	8,604	13,094	10,361
Firearms, Ammunition, and Explosives	1,704	4,049	3,696	3,181	2,948
Timber and Building Materials	7,200	12,308	20,367	18,582	29,862
Paper and Stationery	4,459	5,918	7,082	7,575	8,552
Chemicals and Drugs	10,290	18,919	11,529	17,237	16,018
Miscellaneous	17,687	33,002	50,710	50,263	38,756
Coal and Coke	(b)	4,106	3,382	1,996	2,948
Government Stores	110,000	(a)	(a)	(a)	(a)
Total	468,711	516,855	485,634	537,940	568,339

(a) Not recorded.

(b) Not separately recorded, included in Government Stores.

3. **Principal Items of Export.**—Values of the principal items of export for the last five years are shown hereunder :—

TERRITORY OF NEW GUINEA.—EXPORTS, VALUE OF ITEMS, 1921-22 TO 1925-26.

Commodity.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
	£	£	£	£	£
Copra	474,110	619,715	686,519	815,938	1,016,930
Cocoa	9,465	3,734	3,602	6,949	6,510
Stone and Ivory Nuts .. .. .	..	336	192	312	456
Birds of Paradise	2,027	..	..	..	..
Trepang .. .. .	..	964	908	1,975	8,246
Shell	13,595	5,535	9,574	15,009	47,434
Tortoise Shell.. .. .	..	222	877	295	413
Gold .. .. .	..	..	16,542	18,512	25,169
Miscellaneous .. .. .	..	386	321	..	..
Total	499,197	630,892	718,535	858,990	1,105,158

4. **Exports of Copra, and Cocoa.**—The next table shows the quantities, where available, of the exports of these items during the last five years :—

TERRITORY OF NEW GUINEA.—EXPORTS OF COPRA, AND COCOA, 1921-22 TO 1925-26.

Commodity.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.
	Tons.	Tons.	Tons.	Tons.	Tons.
Copra	25,894	32,648	34,974	39,151	45,806
Cocoa	152	83	70	135	113

Of the 45,806 tons of copra exported in 1925-26, 30,018 tons went to countries other than Australia.

5. **Banks.**—There are two banks operating in the Territory, the Commonwealth Bank of Australia, and the Bank of New South Wales.

§ 9. Shipping and Communication.

1. **General.**—A subsidized mail service between the Territory and Australia is maintained by Burns, Philp and Co. Ltd. There is a regular service between the East and Australia with Rabaul as a port of call, while during the year under review regular services were established between Rabaul and Truk (Caroline Islands) and between America and the Territory.

2. **Oversea Tonnage in 1925-26.**—The number and net tonnage of oversea vessels which entered and cleared the Territory during the year 1925-26 are shown hereunder:—

TERRITORY OF NEW GUINEA.—SHIPPING, 1925-26.

Nationality.	Entered.		Cleared.		Total.	
	No.	Net Tonnage.	No.	Net Tonnage.	No.	Net Tonnage.
American	1	3,572	1	3,572	2	7,144
British	72	66,698	68	68,160	140	134,858
French	1	1,375	1	1,375	2	2,750
German	1	65	1	65	2	130
Japanese	5	3,591	5	3,591	10	7,182
Norwegian	5	16,309	5	16,309	10	32,618
Total	85	91,610	81	93,072	166	184,682

Country from which Entered or for which Cleared.	Entered.		Cleared.		Total.	
	No.	Net Tonnage.	No.	Net Tonnage.	No.	Net Tonnage.
Australia	30	60,007	25	46,413	55	106,420
Caroline Islands	4	1,068	4	1,068	8	2,136
China	4	8,224	2	5,262	6	13,486
Dutch New Guinea	1	65	1	65	2	130
European Ports .. .. .	..	..	6	19,465	6	19,465
Japan	1	3,496	3	8,340	4	11,836
New Caledonia	1	1,375	..	..	1	1,375
Papua	4	3,528	1	26	5	3,554
Philippine Islands	1	3,580	..	..	1	3,580
Rangoon (Burma)	2	3,844	..	..	2	3,844
Solomon Islands	35	946	35	923	70	1,869
U.S.A.	2	5,477	4	11,510	6	16,987
Total	85	91,610	81	93,072	166	184,628

3. **Local Shipping.**—A service between Rabaul and the various outports not visited by the mail steamers is maintained by small steamers and motor craft.

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 170 miles long in New Ireland. Elsewhere there are few roads outside plantations and the stations of the District Officers. The large rivers of the mainland are as yet but little used.

There is a high power wireless station at Bitu Paka near Rabaul, and low power stations at Kavieng, Kieta, Manus, Madang, Aitape, and Morobe. Since 1st July, 1921, all these have been placed under the control of Amalgamated Wireless (Australasia) Limited.

§ 10. Revenue and Expenditure.

1. Revenue.—Details of the revenue collected from various sources during each of the last five years are given hereunder :—

TERRITORY OF NEW GUINEA.—REVENUE, 1921–22 TO 1925–26.

Heading.	1921–22.	1922–23.	1923–24.	1924–25.	1925–26.
Trade and Customs—					
Imports	£ 49,031	£ 77,259	£ 73,781	£ 73,051	£ 87,520
Exports	38,422	35,965	43,656	47,277	50,858
Total	87,453	113,224	117,437	120,328	138,378
Taxes and Fees—					
Licences	5,588	5,816	5,846	6,517	6,199
Business Tax	20,989	10,317	18,322	18,874	22,511
Law Department	1,942	2,205	1,488	1,628	1,660
Lands Department	6,858	3,132	6,717	15,537	12,920
Stamp Duties	1,000	507	500	1,262	566
Native Affairs—					
Head Tax	20,546	21,550	21,451	22,035	19,663
Indenture Fees	1,689	(b)12,191	(b)8,605	3,814	4,447
Fees and Fines					
Income Tax	209	644	677	897	755
Total	58,821	56,362	63,606	70,564	68,721
Miscellaneous—					
Trade and Customs	6,470	2,918	3,959	4,234	6,082
Post Office	6,348	2,328	4,040	5,574	6,237
Wireless Service	5,839	..	..	..	..
Receipts from Administration					
Shipping Services	36,599	26,951	15,532	2,607	845
Plantations	8,824	2,985	5,705	6,027	5,742
Hospital Receipts	2,884	7,148	10,785	7,236	7,151
Miscellaneous	(a)44,268	(a)29,815	(a)27,680	26,205	25,862
Total	111,232	72,145	67,701	51,883	51,919
GRAND TOTAL	257,506	241,731	248,744	242,775	259,018

(a) Including sale of stores.

(b) Including hire of labour.

2. Expenditure.—The expenditure for the financial year 1925–26 was distributed as follows :—

TERRITORY OF NEW GUINEA.—EXPENDITURE, 1925–26.

Secretary and Central Administration	£17,705	Trade and Customs	£15,478
Justice	3,544	Agriculture	7,126
Treasury	38,444	Public Health	47,078
Audit	2,750	District Services	66,046
Lands and Survey	11,423	Miscellaneous	1,797
Native Affairs, Police, and Prisons	11,240	Total	242,991
Public Works	20,360		

F. NAURU.

1. **General.**—Nauru is an oval-shaped atoll about 12 miles in circumference having an area of 5,400 acres, of which approximately four-fifths is phosphate-bearing. It is situated in long. 166° 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 native Nauruans have established themselves. With the exception of a small fringe round 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 old custom, and, with the exception of small allotments held by the Government and Missions, the whole of the island is owned by individual natives. The climate is hot, but not unpleasant, the average shade temperature ranging between 72 and 95° F., and the average humidity between 70 and 80. The average rainfall is 120 inches, but droughts occasionally occur, and in 1916 and 1917 only 40 inches were received for the two years.

2. **History.**—The island 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 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 over it should be given to His Majesty the King. On 2nd July, 1919, the British, Commonwealth, and New Zealand Governments agreed that the administration of the island (which, since 1915, had been in charge of an official appointed by the British Colonial Office) should be vested in an Administrator; the first Administrator was appointed for a term of five years by the Australian Government; his term of service having expired in February, 1926, it was extended for another five years. The Agreement between the three Governments was approved by the Commonwealth Parliament in the Nauru Island Agreement Act 1919, and is printed in the Schedule to that Act. The first Administrator appointed by the Commonwealth Government assumed duty in June, 1921.

The Mandate for Nauru, issued by the Council of the League of Nations in December, 1920, is in terms similar to that for the Territory of New Guinea.

3. **Administration.**—The Administrator has all the powers of government—administrative, legislative, and judicial—in the island. An Advisory Council has been created which consists of two Europeans chosen by the Administrator, and two native chiefs elected by the natives. All expenses of administration 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. A branch of the Commonwealth Savings Bank has been established, and the deposits by natives in 1926 amounted to £7,000, as compared with £4,154 in 1924. There is a co-operative store managed by the natives themselves, the books, however, being audited by Government officers. Natives are not allowed to carry firearms, and the use by them of intoxicating liquors and deleterious drugs is prohibited.

4. **Population.**—Figures for population from 1922 to 1926 are given hereunder:—

NAURU.—POPULATION, 1922 TO 1926.

Population.	31st December, 1922.	31st December, 1923.	31st December, 1924.	31st December, 1925.	1st April, 1926.
Europeans	128	110	125	124	117
Chinese	582	603	785	827	822
Nauruans(a)	1,156	1,179	1,219	1,239	1,251
Other South Sea Islanders ..	290	117	11	10	27

(a) The natives of Nauru are Micronesians.

The birth rate among the Nauruans in 1926 was 41.6 per 1,000, the death rate 32.8 per 1,000, and the rate of infantile mortality 288.5 per 1,000.

5. **Health.**—There is no malaria, but cases occur of other diseases known in the Pacific. Venereal disease is rare, but in 1926 there were 167 cases of leprosy in segregation, while others were under treatment. An area has been set apart for the segregation of lepers, and the latest methods of treatment are applied to cope with the disease. Two hospitals are maintained on the island, one by the Administration for Nauruans, and one by the European 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 amoebic and bacillary, is endemic. The usual steps are being taken by the authorities to improve the water supply and to provide efficient sanitation generally. A baby clinic has been established to give help and advice to Nauruan mothers in regard to infant nurture.

6. **Education.**—On the 1st October, 1923, the Administration took over the education of the Nauruans and other native children, and native schools were established in four districts and at the leper station. Previously education had been looked after by the Missions subsidized by the Government. A school for European children is presided over by a teacher on loan from the Education Department of Victoria, who also supervises educational matters generally. The number of European children in 1926 was under 11. 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. After the termination of ordinary school attendance, twelve months are devoted to technical training. Officers from the Missions visit the schools to give religious and moral training. A museum for the preservation of Nauruan antiquities is in process of formation.

7. **Religion.**—The London Missionary Society (Protestant) and the Sacred Heart of Jesus Mission (Roman Catholic) operate in Nauru, and in 1926 the adherents to the former numbered 820, and to the latter 368.

8. **Phosphate Deposits.**—(i) *General.* Since 1906 the deposits have been 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 the two islands has been estimated at not less than 100,000,000 tons, and the rock phosphate, as shipped, averages 85 per cent. to 88 per cent. of tribasic phosphate of lime. About 4,000,000 tons have already been removed.

The interests of the Pacific Phosphate Company in the two islands (though not in other islands in the Pacific in which it has workings) were bought by the British, Commonwealth, 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) *Output.* The output from the two islands in 1913, the last year before the war, was 350,000 tons. During the first five years of the Commission's management it was as follows:—

NAURU AND OCEAN ISLAND.—OUTPUT OF PHOSPHATES, 1921 TO 1925.

Year.	Total.	To Australia.	To New Zealand.	To United Kingdom.	To other Countries.
	Tons.	Per cent.	Per cent.	Per cent.	Per cent.
1920-21	364,251	72.96	4.69	4.59	17.76
1921-22	361,205	47.20	10.64	4.45	37.71
1922-23	311,650	65.43	16.54	..	18.03
1923-24	450,924	70.67	13.46	..	15.87
1924-25	473,647	71.11	21.01	..	7.88

From Nauru alone, during the calendar year 1926, the export was 274,935 tons, of which 193,785 tons went to Australia, and 81,150 tons to New Zealand.

(iii) *Accounts of Commission.* A statement for the five years ended June, 1925, is given hereunder.

NAURU AND OCEAN ISLAND.—SALES OF PHOSPHATES, 1920-21 TO 1924-25.

Receipts from Sales of Phosphate, Etc.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
	£	£	£	£	£
Receipts from sales, etc. ..	691,643	823,045	542,348	695,940	705,293
F.o.b. cost, including interest on capital, Sinking fund, etc. ..	688,958	732,407	538,099	651,102	635,675

The f.o.b. cost of phosphate was 37s. 10d. in 1920-21, 40s. 7d. in 1921-22, 34s. 6d. in 1922-23, 28s. 10d. in 1923-24, and 26s. 10d. in 1924-25.

The amount due by the Commission to the partner Governments for purchase money and other capital sums was £3,666,457 on 30th June, 1921, and at 30th June, 1925, this had been reduced to £3,462,933. The contribution to the sinking fund paid by the Commission provides for interest at 6 per cent. and extinction of the capital sum in 50 years from 1st July, 1920.

(iv) *Employees.* Apart from a limited number of Europeans and a few Pacific Islanders the employees are Chinese, engaged under a three years' contract. A few Nauruans are from time to time employed, but they are not partial to sustained labour of any kind.

9. *Trade.*—Information regarding imports and exports for years 1922 to 1926 is appended herewith:—

NAURU.—IMPORTS AND EXPORTS, 1922 TO 1926.

Heading.	1922.	1923.	1924.	1925.	1926.
	£	£	£	£	£
Imports.. ..	78,320	53,685	100,254	63,576	104,117
Exports—	tons.	tons.	tons.	tons.	tons.
Phosphate	182,170	212,300	280,990	224,260	274,935
Copra	93	121	383	170	117

10. *Revenue and Expenditure.*—The revenue and expenditure of the Administration during the years 1922 to 1926 were as follows:—

NAURU.—REVENUE AND EXPENDITURE, 1922 TO 1926.

Heading.	1922.	1923.	1924.	1925.	1926.
	£	£	£	£	£
Revenue	11,182	11,837	18,200	15,175	16,424
Expenditure	11,424	10,266	13,580	15,257	13,963

Of the revenue in 1926, £5,816 was royalty on phosphate, £4,350 consisted of Customs receipts, £1,601 of capitation taxes, and £705 of harbour dues. The total credit balance on the 31st December, 1926, amounted to £23,966.