

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

VOLUME III

GENERAL ASSEMBLY

OFFICIAL RECORDS: TWENTY-SIXTH SESSION

SUPPLEMENT No.23 (A/8423/Rev.1)



UNITED NATIONS

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UNITED NATIONS

New York, 1975

NOTE

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

The report of the Special Committee is divided into four volumes. The present volume contains chapters IX to XXI;* volume I contains chapters I to V; volume II, chapters VI to VIII; and volume IV, chapters XXII to XXVII; each volume contains a full table of contents.

For documents A/7623 and addenda and A/8023 and addenda mentioned in the present report, see: *Official Records of the General Assembly, Twenty-fourth Session, Supplement No. 23* (A/7623/Rev.1), and *ibid.*, *Twenty-fifth Session, Supplement No. 23* (A/8023/Rev.1).

* The present version of chapters IX to XXI is a consolidation of the following documents as they appeared in provisional form: A/8423/Add.5 (Part I) of 12 October 1971; A/8423/Add.5 (Part II) and Corr.1 of 8 November and 2 December 1971; A/8423/Add.5 (Part III) of 1 October 1971; A/8423/Add.6 (Part I) of 27 October 1971; A/8423/Add.6 (Part II) of 26 November 1971; and A/8423/Add.6 (Part III) of 17 November 1971.

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CHAPTER IX

SEYCHELLES AND ST. HELENA

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, inter alia, to refer the Seychelles and St. Helena to Sub-Committee I for consideration and report.

2. The Special Committee considered the item at its 796th, 814th and 815th meetings, on 5 May and 11 and 13 August 1971.

3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2621 (XXV) of 12 October 1970, containing the programme of action for the full implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, and resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 14 of resolution 2708 (XXV), the General Assembly requested the Special Committee "to continue to pay particular attention to the small Territories, and to recommend to the General Assembly the most appropriate methods and also the steps to be taken to enable the populations of those Territories to exercise fully and without delay their right to self-determination and independence". The Special Committee also took into account other resolutions of the General Assembly, particularly resolution 2709 (XXV) of 14 December 1970 concerning twenty-five Territories, including the Seychelles and St. Helena, by paragraph 8 of which the General Assembly requested the Special Committee "to continue to pay special attention to these Territories and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution".

4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action previously taken by the Special Committee and the General Assembly, as well as the latest developments concerning the Territories.

5. In addition, the Special Committee had before it the following written petitions concerning the Seychelles:

(a) Letter dated 10 March 1971 from Messrs. J. Tregarthen, President; M.A. Servina, Secretary; J.A. Michel, Treasurer; R. Carrere and G. Faure, Committee members, Cable and Wireless Staff Union (A/AC.109/PET.1165);

(b) Letters dated 20 March, 5, 19 and 25 April and 5, 18 and 19 May 1971, and a cable dated 29 May 1971 from Mr. M.A. Servina, Secretary, Cable and Wireless Staff Union (A/AC.109/PET.1165/Add.1 to 3);

(c) Cable dated 6 May 1971 from Mr. G.P. Drummond, Manager, Cable and Wireless Ltd. (A/AC.109/PET.1184).

6. With respect to the petition dated 5 April 1971, referred to in paragraph 5 (b) above, the Special Committee, by adopting the 157th report of the Sub-Committee on Petitions at its 796th meeting, on 5 May, authorized its Chairman to transmit the text of the communication to the administering Power concerned for the latter's comments or observations. Accordingly, the Chairman transmitted the text of the communication to the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations for the attention of his Government. The text of the comments subsequently received from the Government of the United Kingdom is contained in a note by the Chairman (see annex II to the present chapter).

7. The Special Committee considered the report of Sub-Committee I on the item (see annex II to the present chapter) at its 814th and 815th meetings, on 11 and 13 August, respectively. Statements in this connexion were made by the representative of Madagascar (A/AC.109/PV.814) and by the representatives of the United Republic of Tanzania, the Union of Soviet Socialist Republics and the Syrian Arab Republic (A/AC.109/PV.815).

8. At its 815th meeting, the Special Committee adopted the report of Sub-Committee I concerning the Seychelles and St. Helena and endorsed the conclusions and recommendations contained therein, it being understood that the reservations expressed by certain members would be reflected in the records of the relevant meetings. These conclusions and recommendations are set out in paragraph 10 below.

9. On 16 August 1971, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United Kingdom to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

10. The text of the conclusions and recommendations adopted by the Special Committee at its 815th meeting, on 13 August 1971, to which reference is made in paragraph 8 above, is reproduced below.

(a) Conclusions

(1) The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, deploring the refusal of the administering Power to participate in its discussions or to provide any additional information on the situation in the Seychelles and St. Helena, expresses its regret at the failure of the administering Power to co-operate with the Special Committee in its efforts to carry out the tasks assigned to the latter by the General Assembly.

(2) The Special Committee notes with deep regret that the administering Power has failed to implement the previous recommendations of the Special Committee in respect of the Seychelles and St. Helena, in disregard of paragraph 4 of General Assembly resolution 2708 (XXV) of 14 December 1970.

(3) The Special Committee notes that, in the year under review, a new Constitution agreed upon at the Constitutional Conference in March 1970, was introduced in the Seychelles. Under the new constitutional arrangements, the first election for fifteen elected seats in the Legislative Assembly took place in November 1970. Following the elections, an Executive was established consisting of the Governor and the Council of Ministers, which is made up of the Chief Minister, three ex officio members, and four other ministers appointed from among the elected members of the Legislative Assembly. The Special Committee reiterates its previous conclusion that, although this step represents some progress in the process of self-determination, it is nevertheless inadequate to promote the process of complete decolonization in accordance with General Assembly resolution 1514 (XV) of 14 December 1960, as the key powers continue to be concentrated in the hands of the Governor, and the administering Power, through the Governor, retains full control in political, economic and other fields. The Special Committee notes in particular that the introduction of the new Constitution, which took place without any prior direct consultation with the people of the Territory, has not resulted in the transfer of powers to the people of the Seychelles and thus has not changed the political status of the Territory.

(4) The Special Committee notes that the policy pursued by the administering Power threatens to cause dissension and conflict among the inhabitants of the Territory on the question of its future, and that there is an urgent need to create conditions under which the people of the Seychelles can exercise their right to self-determination. In this connexion, it should be noted that the Seychelles People's United Party (SPUP) which had previously favoured a form of association with the United Kingdom of Great Britain and Northern Ireland, announced in December 1970 that it favoured independence from "the colonial Power which rules it and openly takes the side of the ruling class of oppressors". The Special Committee notes with regret that the administering Power has not submitted any information on its plans for the future political progress of the Seychelles and St. Helena.

(5) The Special Committee notes with regret that the administering Power refuses to restore the territorial integrity of the Seychelles by returning to it the islands detached from the Territory in 1965. It notes with serious concern that the Governments of the United Kingdom and the United States of America announced on 15 December 1970 their intention to begin in March 1971 construction of military facilities in the so-called "British Indian Ocean Territory". The construction of such military facilities constitutes a violation of the provisions of resolution 1514 (XV) and other relevant resolutions of the General Assembly, in particular paragraph 9 of resolution 2708 (XXV) and paragraph 5 of resolution 2709 (XXV) of 14 December 1970, and constitutes a threat to international peace and security, particularly in the neighbouring region.

(6) The Special Committee notes that there have been no constitutional developments in the Territory of St. Helena since the last general elections in 1968 and that the political situation remains unfavourable for the full and speedy implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

(7) The Special Committee notes that the economic situation in the two Territories continues to be deplorable. The livestock industry in the Seychelles remains for the most part underdeveloped. The Territory continues to be dependent on imports of certain foodstuffs and other goods. Two-thirds of the commercial agricultural land is still held by fifty-six proprietors. The further sale of land to foreign firms clearly proves that the administering Power is not concerned with the national interests of the inhabitants. The Special Committee notes the requests made in the Territory to encourage the development of its agriculture and fisheries and to protect local agriculture through the introduction of controls over imported foodstuffs.

(8) The Special Committee notes with concern that the direct intervention of South Africa in the economy of the Seychelles and St. Helena is continuing. It considers that the administering Power's favourable and protectionist attitude in helping South Africa to strengthen its presence and influence in the Territories is creating a real threat that South African settlers will introduce their system of racial discrimination and apartheid to the Territories.

(9) The Special Committee notes that during the year under review, the social conditions in the Seychelles and St. Helena remained unsatisfactory. Several disturbances and labour disputes took place in the Seychelles. A number of petitions received by the Special Committee 1/ concerning the long-lasting strike of members of the Cable and Wireless Staff Union indicate that the labour conditions prevailing in the Territory are far from being satisfactory. The Special Committee notes the failure of the administering Power to assist effectively in the settlement of the dispute between the Union and the Seychelles branch of Cable and Wireless, Ltd. (United Kingdom). This failure is further evidence of the total disregard by the administering Power of its obligation to protect the interests and meet the needs of the local population.

(b) Recommendations

(1) The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

1/ A/AC.109/PET.1165 and Add.1-3 and PET.1184.

reaffirms its previous recommendations and calls on the administering Power to take all effective measures to enable the people of the Seychelles and St. Helena to attain their freedom and independence in accordance with the Declaration on the Granting of Independence to Colonial Countries and Peoples. In particular, it calls upon the administering Power to take, without further delay, concrete steps to effect immediately the transfer of powers to representative organs of the peoples of the Territories.

(2) The Special Committee condemns the construction of the joint United Kingdom - United States military bases in the so-called "British Indian Ocean Territory" in violation of resolution 2708 (XXV), whereby the General Assembly, inter alia, requested the colonial Powers to withdraw immediately and unconditionally their military bases and installations from colonial Territories and to refrain from establishing new ones, and of resolution 2709 (XXV) in which the General Assembly reiterated its declaration that any attempt aimed at the partial or total disruption of the national unity and the territorial integrity of colonial Territories and the establishment of military bases and installations in those Territories was incompatible with the purpose and principles of the Charter of the United Nations and with resolution 1514 (XV). The Special Committee reiterates its conviction that such actions are not in keeping with the interests of the inhabitants or of the Territory, nor with those of the African continent, nor with the maintenance of international peace and security, and it calls on the administering Power to stop the construction of military bases and to return the detached islands to the Seychelles.

(3) The Special Committee condemns the direct intervention of South Africa with the connivance of the administering Power in the economy of the Seychelles and St. Helena and calls upon the administering Power to take immediate and effective measures to stop the sale of land to foreign firms and to prevent the economic intervention of South Africa in the Territories with a view to safeguarding the interests of their local populations.

(4) It reiterates its request that the administering Power should accelerate economic development in order to reduce the economic dependence of the Territories and to improve the living conditions of their inhabitants.

(5) It again requests the administering Power to permit the access of, and make the necessary arrangements for, a United Nations visiting mission to the Territories for the purpose, among other things, of ascertaining the wishes and aspirations of the indigenous population concerning the future status of their Territories.

(6) The Special Committee expresses its concern about the unsatisfactory social conditions of the population of the Territories and urges the administering Power to take further measures towards the immediate solution of the most pressing problems in the fields of welfare and education.

(7) It once again requests the administering Power to provide up-to-date information concerning the situation in the Territories and, in particular, to provide information on action taken by it to promote the progress of decolonization.

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.695.

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

1. The Territories of Seychelles and St. Helena have been considered by the Special Committee and the General Assembly since 1964. The Special Committee's conclusions and recommendations concerning these Territories are set out in its reports to the General Assembly at its nineteenth to twenty-fifth sessions. a/ The General Assembly's decisions concerning the two Territories are contained in resolutions 2069 (XX) of 16 December 1965, 2232 (XXI) of 20 December 1966, 2357 (XXII) of 19 December 1967, 2430 (XXIII) of 18 December 1968, 2592 (XXIV) of 16 December 1969 and 2709 (XXV) of 14 December 1970.

2. In August 1970, after considering the report of Sub-Committee I on the two Territories, b/ the Special Committee adopted the following conclusions and recommendations:

"(a) Conclusions

"(1) The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples notes that under the new constitutional arrangements for the Seychelles, agreed upon at the Constitutional Conference held in London in March 1970, the Government of the Territory will be vested in the Governor, with a Council of Ministers consisting of the Governor as its President, a Chief Minister, not more than four other ministers and three ex officio members, and a Legislative Assembly consisting of a Speaker, fifteen elected members and the ex officio members of the Council of Ministers. The Special Committee considers that although this step represents some progress in the process of self-determination, it is nevertheless inadequate to promote the process of complete decolonization in accordance with General Assembly resolution 1514 (XV) of 14 December 1960. After the introduction of the new constitutional arrangements, the key powers will continue to be concentrated in the hands of the Governor, and the administering Power, through the Governor, will retain full control in

a/ Official Records of the General Assembly, Nineteenth Session, Annexes, Annex No. 8, (Part I), (A/5800/Rev.1), chap. XIV; ibid., Twentieth Session, Annexes, addendum to agenda item 23, document A/6000/Rev.1, chap. XIII; ibid., Twenty-first Session, Annexes, addendum to agenda item 23, document A/6300/Rev.1, chap. XIV; ibid., Twenty-second Session, Annexes, addendum to agenda item 23 (Part III), document A/6700/Rev.1, chap. XIV; ibid., Twenty-third Session, Annexes, addendum to agenda item 23, document A/7200/Rev.1, chap. XII; ibid., Twenty-fourth Session, Supplement No. 23, (A/7623/Rev.1), chap. IX; ibid., Twenty-fifth Session, Supplement No. 23, (A/8023/Rev.1), chap. VIII.

b/ Ibid., para. 9.

political, economic and other fields. These constitutional arrangements fall short of providing the transfer of power to the people of the Territory and their representatives in accordance with the Declaration on the Granting of Independence to Colonial Countries and Peoples.

"(2) The Special Committee regrets to note that the administering Power failed to consult the people of the Seychelles directly on the new constitutional arrangements.

"(3) The Special Committee notes that in the year under review there has not been any favourable change in the situation in St. Helena.

"(4) The Special Committee regrets to note that the administering Power continues to violate the territorial integrity of the Seychelles. A statement by the Minister of Defence of the United Kingdom of Great Britain and Northern Ireland on 3 December 1969, indicates that the so-called 'British Indian Ocean Territory' remains available for the staging and construction of military facilities and operations by the United Kingdom and the United States Governments. This means that the administering Power has persistently refused to comply with the provisions of resolution 1514 (XV) and other relevant resolutions of the General Assembly, in particular resolution 2592 (XXIV) of 16 December 1969.

"(5) The Special Committee notes that the economic situation in the two Territories remains unsatisfactory, in particular, there are problems of poverty and unemployment. However, it takes note of the conclusion of the economic aid mission of the administering Power that the Seychelles can in time become a self-supporting country capable of providing a secure and satisfactory standard of living for all its people. It therefore expects the Territories not to continue to depend entirely on a few crops and external aid. It notes that the distribution of land is unfair and that the economy of the Territories is thereby affected. Since the Special Committee last examined the situation, the administering Power has not reported any progress in preventing the exploitation of the economy of the Territories by foreign interests, especially South African interests, in a way detrimental to the interests of the inhabitants.

"(6) The Special Committee notes that the social situation in the Territories still leave much to be desired. Further progress is required in the fields of public education, training of leaders and health.

"(b) Recommendations

"(1) The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples again calls upon the administering Power to take concrete measures to enable the people of the Seychelles and St. Helena to exercise their rights to self-determination in accordance with the Declaration on the Granting of Independence to Colonial Countries and Peoples without further delay.

"(2) It urges the administering Power to make the necessary arrangements in the Territories for the acceleration of the transfer of powers to representative organs elected on the basis of universal suffrage.

In the case of the Seychelles, it considers that the forthcoming elections, to be held before the end of 1970, should be a first step towards this action.

"(3) It reaffirms that any constitutional changes must be left to the people of the Territories, who alone have the right to decide the form of government they wish to adopt. It urges the administering Power not to impose a future status on these Territories that is not freely accepted by the population and to refrain from taking any measures incompatible with the Charter of the United Nations and with the Declaration on the Granting of Independence to Colonial Countries and Peoples.

"(4) It again confirms that the detachment of a number of islands from the Seychelles by the administering Power, and the setting up of the so-called 'British Indian Ocean Territory' with the purpose of establishing a military base in that Territory jointly with the United States of America, is incompatible with the Charter of the United Nations and the Declaration on the Granting of Independence to Colonial Countries and Peoples. It reiterates its decision that such actions are not in keeping with either the interests of the inhabitants or with those of the African continent or with international peace and security.

"(5) It again calls upon the administering Power to respect the territorial integrity of the Seychelles and to return immediately to that Territory the islands detached from it in 1965.

"(6) It calls upon the administering Power to safeguard the right of the peoples of the Territories to dispose of the natural resources of their countries and to take effective steps to prevent infiltration by foreign economic interests and the introduction of foreign settlers into the Territories, particularly those from South Africa.

"(7) It reiterates its request that the administering Power should intensify its efforts to strengthen the economy of the Territories through the promotion of economic diversification and the introduction of land reforms, taking into account the urgent need to reduce the economic dependence of the Territories and to cope with the problems arising from the shortage of natural resources and skilled personnel.

"(8) It calls upon the administering Power to promote social justice in the Seychelles and St. Helena and to accelerate progress in education and health.

"(9) It again urges the administering Power to co-operate with the Special Committee in making arrangements for a visiting mission of the Committee to be sent to the Territories to obtain more detailed information in order to accelerate the process of self-determination.

"(10) It requests the administering Power to submit timely, up-to-date information concerning the situation in the Territories."

3. By its resolution 2709 (XXV) of 14 December 1970, which concerned twenty-five Territories, including the Seychelles and St. Helena, the General Assembly, inter alia, approved the chapters of the report of the Special Committee relating to these Territories and requested the Special Committee to continue to pay special attention to them and to report to the General Assembly at its twenty-sixth session on the implementation of the resolution.

B. INFORMATION ON THE TERRITORIES

4. Basic information on the Territories is contained in the report of the Special Committee to the General Assembly at its twenty-fifth session. c/ Supplementary information on recent developments is set out below.

1. SEYCHELLES^{d/}

General

5. The population of the Seychelles was estimated to have risen from 49,980 in June 1968 to 51,400 in June 1969.

Political and constitutional developments

New Constitution

6. A new Constitution for the Territory was agreed upon at the Seychelles Constitutional Conference held in March 1970. Its main provisions are set out below.

(a) Governor

7. The Governor is appointed by the Queen and exercises executive authority on her behalf. Apart from his executive and legislative powers (see below), the Governor is empowered to constitute and abolish offices, make appointments and dismiss public officers. He also exercises the prerogative of mercy on behalf of the Queen, with the assistance of an advisory committee. There is provision for a Deputy Governor.

(b) Executive

8. The Executive consists of the Governor and a Council of Ministers which is made up of a Chief Minister, three ex officio members (the Deputy Governor, the Attorney General and the Financial Secretary) and up to four other ministers. The Governor appoints as Chief Minister the elected member of the Legislative Assembly who, in his opinion, is best able to command the support of the majority of the elected members of the Assembly. The other ministers are appointed by the Governor in accordance with the advice of the Chief Minister from among the elected members of the Assembly. The Chief Minister and other ministers vacate their offices if a motion of no confidence receives a majority of the votes of the elected members of the Assembly.

c/ Ibid., annex I.

d/ The information presented in this section is derived from published sources and from information transmitted to the Secretary-General by the United Kingdom under Article 73 e of the Charter on 30 July 1970 for the year ending 31 December 1969.

9. The Governor has exclusive responsibility for external affairs, defence (including armed forces), internal security (including the police force), the government broadcasting services and newspapers and certain public service matters. On all other matters he is obliged to consult with the Council of Ministers in the formulation of policy and the exercise of his powers, except in those cases where the matter is unimportant or urgency requires him to act before consulting the Council. The Governor is generally obliged to act in accordance with the advice of the Council. He may, however, act against the advice of the Council if he thinks it right to do so. When the Governor is acting against the Council's advice, he is required to report the matter to the United Kingdom Government with the reasons for his action.

(c) Legislature

10. The legislature consists of a Legislative Assembly made up of a Speaker, three ex officio members (the Deputy Governor, the Attorney General and the Financial Secretary) and fifteen elected members. The Speaker, who has no vote, is appointed by the Governor from among persons who are not members of the Assembly, after consultation with the Chief Minister and leaders of other parties in the Assembly. The Assembly is to be dissolved and new elections held every five years, unless it is dissolved earlier. The Governor may dissolve the Assembly at any time, after consultation with the Chief Minister.

11. The Governor, with the advice and consent of the Legislative Assembly, may make laws for the peace, order and good government of the Territory. If the Assembly fails to adopt any bill or motion which the Governor feels is necessary in the interest of public order, public faith or good government, he may declare adopted such bill or motion. When he makes such a declaration, he is required to report to the United Kingdom Government with the reasons for his action. A bill passed by the Assembly must receive the assent of the Governor, or, in some cases, the assent of the Queen before it can become a law. Laws assented to by the Governor may be disallowed by the Queen.

12. The new Constitution also provides that English shall be the official language of the Legislative Assembly, although a member may address the chair in French. There is also provision for a Public Accounts Committee of the Legislative Assembly.

(d) Electoral system

13. All persons over the age of twenty-one are entitled to register as voters, provided they meet certain residential and other requirements. The Territory is divided into eight electoral areas, seven of which return two members each, while the remaining area returns one member only.

(e) Judiciary

14. The new Constitution makes provision for a Supreme Court and a Court of Appeal. The Supreme Court is to consist of a Chief Justice and one other judge. The Court of Appeal is to consist of a President, two or more justices of appeal and, ex officio, the Chief Justice and the Judge of the Supreme Court.

General elections

15. The first elections under the new Constitution for the fifteen elected seats in the Legislative Assembly took place on 11 November 1970. They were contested by the Seychelles Democratic Party (SDP) which had held four of the eight elected seats in the dissolved legislature; the Seychelles People's United Party (SPUP) which had held three seats, Le Parti Seychellois (LPS) and the Seychelles Christian Labour Party (SCLP). In the final results, the SDP secured ten seats in the new Assembly. The remaining five seats were won by the SPUP. The total votes cast for the two main parties were: the SDP, 18,972 (52.8 per cent) and the SPUP, 15,834 (44.1 per cent).

16. Following the elections, Mr. J.R. Mancham, leader of the SDP, was appointed the Territory's first Chief Minister. In addition to his duties as Chief Minister, Mr. Mancham will also be responsible for tourism, town and country planning, lands, public relations, immigration, local government, commerce and industry and the census, which is to be held in 1971. Four other ministers were appointed to the Council of Ministers from among the members of Mr. Mancham's party. They were Mr. C. Chetty, Minister of Agriculture, Natural Resources and Marketing (who will also have responsibility for the outlying islands); Mr. J. Pragassen, Minister of Aviation, Communications and Works; Mr. D. Joubert, Minister of Housing, Labour and Social Services; and Mr. Deloré, Minister without Portfolio. The Governor also appointed the three ex officio members of the Council, namely the Deputy Governor (who will be responsible for the public service and the Governor's reserved subjects), the Attorney General and the Financial Secretary. The first meeting of the Council of Ministers was held on 18 November.

Views of the political parties on the future status of the Territory

17. On 18 December, the SPUP announced in its newspaper, The People, that it favoured independence for the Seychelles. Previously, the party had favoured a form of association with the United Kingdom. e/ The announcement declared that any compromise on the independence issue was impossible and stated that the Seychelles must fight for total independence from "the colonial Power which rules it and openly takes the side of the ruling class of oppressors". It was reported that, following this announcement, one of the members of the SPUP in the Legislative Assembly resigned from the party. He was reported to have said that independence was "utopia" for a small country like the Seychelles and could only increase poverty.

18. The views of the Chief Minister, Mr. Mancham, on the future status of the Territory were expressed by him in a letter to The Times (London), dated 7 February 1971. In his letter, Mr. Mancham said that the need to evolve closer links with the United Kingdom had been the main issue on which his party had won the elections in November 1970. While he was not at this stage able to define in constitutional terms precisely what he meant by "integration", perhaps the Channel Islands provided the best existing model of the form of relationship he had in mind. Nevertheless, he felt that other and better solutions to the question might be found and that there was no great haste to change the present position. Meanwhile, he wanted to draw the attention of the United Kingdom to this matter and to ask that it be given imaginative and sympathetic consideration so that the ultimate decision might be a wise and lasting one. He pointed out that the people

e/ See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. VIII, annex I, para. 15.

of the Seychelles were about to experience a great change in their way of life, brought about by the construction of an international airport on Mahé and the creation of a new economy based on tourism. He believed that rapid development would impose great strains, however wisely it was planned and administered, and that if this challenge was to be met, the first essential was stable government. He also believed that, at present, the Territory was too vulnerable to maintain stability without assistance, or without adopting measures which he described as illiberal and foreign to the nature of the Seychellois. Therefore, he stressed the need for the United Kingdom to remain "the benevolent protector of the Seychelles".

"British Indian Ocean Territory"

19. Information concerning the "British Indian Ocean Territory" prior to December 1970 is contained in last year's report of the Special Committee to the General Assembly. f/

20. Briefly it will be recalled that under a United Kingdom Order in Council dated 8 November 1965, three of the ninety-two islands and atolls comprising the Seychelles (namely, Aldabra, Farquhar and Desroches) were administratively detached from the Territory and, together with the Chagos Archipelago, formerly part of Mauritius, were set up as a separate administrative unit entitled the "British Indian Ocean Territory". According to the administering Power, this arrangement was made with the consent of the Governments of Mauritius and Seychelles, which were to be compensated for the loss of the islands and atolls. In the case of the Seychelles, it was agreed in 1965 that the United Kingdom would compensate the Seychelles Government by paying the cost of constructing an international airport on Mahé, which was begun late in 1968. The purpose of the above-mentioned arrangement was to make the islands available for the construction of military staging facilities by the United Kingdom and the United States Governments. The United Kingdom Government subsequently stated, however, that it had decided not to utilize the "Territory" as a staging area and that it had no plans to establish any military installations there for this purpose.

21. Meanwhile, as part of the original plan for a staging area, the two Governments had in 1966 entered into an agreement for the joint use of any military facilities which might be constructed in the "British Indian Ocean Territory". Under the terms of this agreement, they announced, on 15 December 1970, their intention to begin construction in March 1971 of a naval communications facility on Diego Garcia in the Chagos Archipelago. The facility would consist of communications, and minimum necessary support activities, including an air strip. The facility would be built by units of the United States naval construction force. Both the British and United States flags would fly over the facility, however, and the United Kingdom would help to man the facility. The announcement added that the facility would close a gap in the United States naval communications system and would provide communications support to ships and aircraft of the United States and United Kingdom in the Indian Ocean. It was expected that the communications facility would be completed in less than three years.

22. In January 1971, Mr. René, leader of the SPUP, sent a cable to the Secretary of the Commonwealth Conference being held in Singapore, asking the Conference to condemn attempts by the Governments of the United Kingdom and the

f/ Ibid., paras. 33-36.

United States "to turn the Indian Ocean into an area of big power conflict". Subsequently, the Chief Minister, Mr. Mancham, cabled the secretary, requesting him to ignore Mr. René's cable because he and the SPUP had no mandate to speak on behalf of the people of the Seychelles. The Chief Minister also cabled the Prime Minister of the United Kingdom, Mr. Heath, supporting the Anglo-American decision to build air and radio communications facilities on Diego Garcia which, he said, was in the interest of political stability in the Indian Ocean area.

Economic conditions

General

23. The economy of the Seychelles is almost entirely dependent on agriculture, the principal crops being coconuts, cinnamon, patchouli, and vanilla, which are all produced for export. Manufacturing industries are chiefly concerned with the processing of these products. Tea is being developed as a subsidiary crop. Sugar cane, tobacco and various fruits and vegetables are also grown locally, but their supply is much below demand. The livestock industry remains for the most part under-developed and inshore fishing barely meets local needs. Although the Territory is an exporter of agricultural products, it shows a marked dependence on imports of certain foodstuffs (rice, flour, dairy products, meat and vegetables) and other goods. As noted previously, two thirds of the commercial agricultural land of the Seychelles is held by fifty-six proprietors.

24. The value of imports usually exceeds that of exports, but the adverse balance is normally offset by aid from the United Kingdom, land purchases by foreigners, spending by personnel from the United States Tracking Station on Mahé and remittances from emigrants. Imports were valued at 33.9 million rupees g/ in 1968 but figures for 1969 are not available. Exports decreased from 16.2 million rupees in 1968 to 13.5 million rupees in 1969. The United Kingdom and other Commonwealth countries provided the main markets and sources of imports.

25. Most of the cultivated land is under coconuts which constitute the chief crop. In 1969, the value of coconut products exported decreased by 1.3 million to 5.9 million rupees, owing mainly to falling prices. For the second consecutive years, cinnamon products exceeded coconut products as the most valuable export. However, the value of cinnamon exports also declined from 8 million rupees in 1968 to 6.6 million rupees in 1969. Patchouli exports rose from 17,100 rupees in 1968 to 56,300 rupees in 1969. The value of vanilla exports dropped from 30,000 rupees in 1968 to 7,150 rupees in 1969, the decrease being attributed to the prevalence of fusarioid disease in the main producing areas.

Development plans

26. The Territory's development plans have been financed primarily from Colonial Development and Welfare funds. Between 1947 and 1969, this aid totalled £3,217,440, of which £206,649 was made available in 1969. In addition, since 1967, Exchequer loans amounting to £492,500 have been issued. Aid has been used for such projects as agricultural extension and research, land settlement (a project aimed at assisting landless persons), road construction, water supplies, low-cost housing, rural health centres, school buildings and broadcasting. Colonial

g/ The Seychelles rupee is valued at 1s. 6d. sterling or \$US 0.18.

Development and Welfare schemes came to an end in March 1970, but the United Kingdom Government has decided to continue to provide the Territory with assistance under the Overseas Aid Act of 1966.

27. A summary of the report of an economic aid mission sent by the United Kingdom Government to the Seychelles in 1969 is set out in the last report of the Special Committee to the General Assembly. ^{h/} A development plan for the period 1970-1974, formulated by the mission in conjunction with the Seychelles Government, envisages a total expenditure of some £8 million, which will be financed by the United Kingdom. The main items in the plan include: port development and land reclamation at Victoria, the capital and main port, (a project which was expected to be initiated in 1970), £3 million; public works, £1.6 million; Cascade dam, £1.5 million; housing, £500,000; agriculture, £343,000; education, £193,000; and health, £143,000. These figures do not include £4.5 million already provided for the construction of the international airport at Mahé.

28. Mr. Mancham stated in a speech on 9 May 1970 that since its formation in 1963, the SPUP had advocated the acceleration of economic development in the Territory in order to improve the standards of living and economic well-being of its people. He expressed appreciation of the action being taken by the United Kingdom Government in this regard. He pointed out that economic aid to be provided by the United Kingdom to the Seychelles over the next five years would amount to about £34 per capita per annum, a record in the history of such aid to developing Territories. He believed that coming developments would have far-reaching effects on economic conditions in the Territory.

29. On 20 May, The People, a news organ of the SPUP, said editorially that one of the fundamental differences between the SPUP and the SDP was their attitude towards the economic development of the Territory. Whereas the SPUP believed that the future of the Seychelles depended mainly on the development of its agriculture and fisheries, the SDP was dedicated solely to a policy based upon the injection of new development capital from external sources. Furthermore, the SPUP considered tourism as a means to an end, while the SDP tended to accept tourism as an end in itself. The SDP had also opposed the proposals put forward by the SPUP that the Government should encourage local farmers to produce enough high quality food to meet the needs of the tourists and should protect local agriculture by introducing controls over imported foodstuffs.

Development of the tourist industry

30. It will be recalled that, in November 1969, the Seychelles Government issued a White Paper containing its proposals for the development of the tourist industry. These proposals, which were set out in the last report of the Special Committee to the General Assembly ^{i/} are being implemented by the Office of Tourism Development which was established in February 1970. The Government's main effort is directed towards the development of transport links and the expansion of hotel facilities.

^{h/} Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. VIII, annex I, paras. 47-50.

^{i/} Ibid., paras. 55-59.

31. In July, Mr. Mancham, who at that time was chairman of the Governing Council's committee responsible for tourism, represented the Seychelles Government as an observer at a conference of the Indian Ocean Tourism Alliance (IOTA) held in Port Louis, Mauritius. Members of IOTA, which had been formed in 1966 to promote tourism in the Indian Ocean area, are Mauritius, Réunion Island, the Comoro Islands and Madagascar. In June, they had unanimously decided to invite the Seychelles to join IOTA.

32. During 1970, a number of overseas firms expressed interest in providing transport links with the Seychelles. Early in 1970, a cruise ship based in Mombasa began fortnightly visits to the Seychelles. In June, the British Overseas Airways Corporation and British United Airways were reported to have been granted licences to operate in the Territory. In the meantime, Wilkenair, Ltd., of Kenya had inaugurated a charter service from Nairobi, which, it was reported, was being used by businessmen and investors. Further activities by Wilkenair, Ltd. were announced by its general manager during a visit to the Territory in July. He said that his company, in conjunction with local interests, hoped to introduce an inter-island passenger and light freight service. He added that an air service to Praslin could be introduced as soon as an air strip was available there and that there were long-term plans for the extension of the air service to include other outlying islands when the Mahé airport became operational.

33. Developments relating to the expansion of hotel facilities included the conclusion of an agreement in December for the development and construction of a 300-bed hotel at Anse Aux Pins on Mahé. The hotel, which is to cost about £1 million, is expected to be completed by April 1972. It was also reported in February 1971 that a team of experts, led by Mr. Andrew Ovenstone, a director of Overstone South West Investments, Ltd., a South African company, had held discussions with the Governor and the Chief Minister of the Seychelles during a recent visit there. As a result, the company obtained options over "certain pieces of ground". The company was reported to be interested in hotel and township development and the sale of houses. On his return to Cape Town, Mr. Ovenstone emphasized that no decision had been taken on any of these projects.

Control of settlement in the Seychelles

34. On 27 July, the Government issued a White Paper on the control of settlement in the Seychelles. The paper was based on the recommendations of Transport and Tourism Technicians, Ltd. (a British firm of international consultants which had recently made a survey of tourism in the Territory), and of the United Kingdom economic aid mission to the Seychelles in 1969.

35. According to the White Paper, the Government was cognizant of both the economic and social aspects of the question of settlement, but had decided to admit settlers under special safeguards. Among the changes proposed was a rise in the income qualifications of persons intending to settle in the Territory. The minimum annual income of the head of a family would be £2,000 (an increase of £800), plus £500 for a wife (an increase of £50) and £300 for each additional dependant. Settlers would also be required to have sufficient capital to buy land and to buy or build a house costing at least £6,000. There would be no special income tax concessions for settlers.

36. According to the White Paper, the main aims of settlement control were:
(a) to ensure that labour and materials were not diverted from other essential

development; (b) to prevent inflated prices in the transfer of land holdings; and (c) to prevent the development of large expatriate housing estates. To implement its policy, the Government would no longer grant building permits for new estates exceeding six houses in number; it would establish a building quota system; and it would refuse to issue planning permits for more than two plots purchased from one owner in any one year. There would be exceptions to these rules, however, in respect of urban areas and support housing for large hotels. The operation of the new controls would be flexible and would be kept under review to accommodate changed circumstances. The Government expected that these safeguards would encourage settlers to build their own houses rather than be attracted to large housing estates.

Social conditions

Labour

37. According to the administering Power, building activity and the construction of the Mahé airport did much to improve the employment situation in 1969. This trend was expected to continue, owing to the initiation of the Victoria reclamation project and the construction of hotels to accommodate the anticipated increase in tourist traffic. However, it may be noted that the number receiving outdoor relief in 1969 rose to 1,947 persons from 1,709 persons in 1968.

38. A wage review committee set up by the Government earlier in 1970 completed its work in December. The committee had been asked to review the wages of government unskilled workers in the light of changes in the cost of living and productivity during the period from mid-1969 to mid-1970. In its report, the committee noted that, during the period under review, there had been no increase in the cost of living and no evidence of increased productivity; it concluded that no immediate recommendation could be made for higher wages. Subsequently, the Government Workers' Union demanded a 40 per cent wage increase for its members, most of whom were government unestablished workers. In a letter to the Government, the Union said that these workers were living at "subsistence level" and that even if its demand were met, the real value of their wages would not represent a "living wage" for most of them. The Union added that the workers' "fair share" should not be overlooked at the present stage of the Territory's development.

39. Another union, the Cable and Wireless Local Staff Union, has been involved in a dispute with the Seychelles branch of Cable and Wireless, Ltd., (United Kingdom) since July 1970. At the end of November, the Governor instituted an inquiry into the dispute, the results of which were conveyed to the Government in January 1971. In a statement issued on 22 January, the Government noted that agreement between the union and the company had been reached on some points but that others were still unresolved. It therefore hoped that negotiations would be resumed. At the same time, the Government made it clear that any salary increases or reduction in working hours could only be justified if there were greater productivity. Otherwise, the effect on the economy would be inflationary and counter-productive of any real and lasting improvement in standards of living and wages. The Government also emphasized that it firmly believed the economy of Seychelles could not afford inflation, but that greater productivity would boost the economy, bring benefits to all the country's inhabitants and was a sine qua non of any grant of higher wages or alteration in terms of employment. On 20 March, the union announced its intention to go on strike as from 29 March unless all the issues were settled by that date.

40. At its sixth and last public session in October 1970, the former Governing Council recommended inter alia: (a) the adoption of measures to stop immediately the importation by building contractors of foreign artisans and foremen into the Territory, if suitably qualified Seychellois could be found, as well as to ensure the application by these contractors of the principle of equal pay for equal work; (b) the granting by every private employer of fourteen days' paid annual leave to his employees on their completion of one-year continuous service, despite the number of days of absence during the year preceding such leave; (c) the establishment by the Government of a board to examine the wages and working conditions of hotel and restaurant workers and shop assistants as soon as possible; and (d) a gradual reduction of redundant government workers and an increase of budgetary provision for outdoor relief.

Public health

41. Government expenditure on medical services in 1969 was 2.17 million rupees, about the same as in the previous year. According to the administering Power, the Territory was reasonably well provided with medical facilities. There are four general hospitals (186 beds) with clinics on most of the islands.

42. Tuberculosis continued to be one of the major health problems of the Territory, and a concentrated effort has been maintained in both preventive and curative fields, with emphasis on the preventive side. As a result, the incidence of this disease has declined. Another problem - infestation by intestinal parasites - is attributed to impure water supplies and poor environmental sanitation. Measures have been taken or were being contemplated to improve this situation. As stated above (see paragraph 27 above), the United Kingdom economic aid mission to the Seychelles in 1969 proposed expansion of the Cascade dam, one of the existing major water supply systems, and the construction of low-cost housing.

43. At its sixth and last public session in October 1970, the former Governing Council recommended, inter alia: (a) the exploration of the possibility of setting up a new sewerage system for the town of Victoria; (b) the allocation to poor and landless people of housing sites on Crown land in certain densely populated areas; (c) the granting of tax concessions to builders of low-cost houses; and (d) the introduction of a scheme under which occupiers of such houses could purchase their houses on a twenty-year instalment basis.

Educational conditions

44. Recurrent expenditure on education in 1969 amounted to 3.0 million rupees, compared with 2.7 million rupees in the previous year. During this period, grants for school construction from the United Kingdom decreased from 300,000 to 100,000 rupees. The Government stated that all works planned for the period ending March 1970 had been completed by December 1969, with the exception of a new vocational training centre, the principal part of which was scheduled to be opened in January 1971.

45. The following table shows the number of schools and pupil enrolments during 1969:

	<u>Schools</u>	<u>Enrolment</u>
Primary education	35 <u>a/</u>	8,781
Secondary education	13 <u>b/</u>	2,177
Teacher training	1 <u>c/</u>	55
Technical and vocational training	5 <u>c/</u>	254

a/ Three government, 29 aided and 3 unaided schools.

b/ Three government, 9 aided and 1 unaided schools.

c/ Government schools.

46. One of the problems confronting the Territory has been the shortage of trained teachers. In January 1969, a new government salary structure for teachers was introduced which, among other things, was designed to improve the standing of the teaching profession; the uncertificated teachers' scale was abolished and was replaced by a short training grade. Uncertificated teachers in service were permitted to be retained on a personal basis until they had been given the opportunity of undertaking a two-year teacher training course.

47. The Director of Education stated that, in 1970, there were 500 teachers (475 in 1969) in the Territory, of whom 62 per cent (56 per cent in 1969) were trained. During this period, the number of students enrolled at the Seychelles Teacher-Training College rose from 55 to 90. Furthermore, forty-two locally trained teachers had been overseas for additional training. In late 1970, ten of these teachers (8 in 1969) were to return to the Territory and eleven others (9 in 1969) were leaving for such training. The Director expected that all uncertificated teachers would have been trained or be in training by December 1973.

48. On 8 August 1970, the President of the Seychelles Teachers' Union said that the union would soon ask the Government to open negotiations with a view to improving salaries for teachers. He stressed that, to earn higher salaries, teachers must improve their academic and professional qualifications, and that they should aim at a minimum qualification of at least five passes at the "O" Level in the London University General Certificate of Education. Therefore he urged more teachers to attend courses provided by the Union to assist them in achieving this aim.

49. The report of the administering Power for 1969 stated that the Government of Seychelles fully recognized the need to accelerate the development of technical and vocational education, and that it was constructing two more vocational training centres. The development plan for the period 1970-1974 would concentrate on expanding educational and training facilities, especially those for technical education, as well as on improving teaching methods.

50. Bursaries and scholarships are awarded for overseas education and training. In 1969, there were thirty-seven Seychellois students attending institutions of higher education abroad, of whom seventeen were in the United Kingdom and eleven in the United States.

51. It was announced in Paris, on 22 February 1971, that the French Government would send a mission to the Seychelles to determine what educational aid could be provided to the Territory. The announcement followed discussions held between French officials and the Territory's Chief Minister during his visit to Paris earlier in the month.

2. ST. HELENA^{j/}

General

52. The Territory of St. Helena consists of the island of St. Helena and two dependencies; Ascension Island and a group of six islands (five of them uninhabited) forming the dependency Tristan da Cunha. Of these islands, St. Helena is the largest, with a population mainly of African, Asian and British descent, estimated at 4,829 at the end of 1969. Ascension is inhabited largely by people from outside the island, their numbers (1,266 at the end of 1969) varying from year to year according to the availability of local employment. At the end of 1969, Tristan da Cunha had 275 inhabitants, also of mixed origin.

Constitutional developments

53. Since the last general elections held on 14 February 1968, there have been no constitutional developments in the Territory. k/

Economic conditions

54. There has been no significant change in the economic conditions on the island of St. Helena since the closure of the flax industry, its only sizable export industry. The island has continued to import part of its food supply and all of its consumer and capital goods, owing to the limited cultivable area and the meagreness of natural resources.

55. In 1968, the islands' total external trade was valued at £390,500, down from £429,271 in the previous year. Imports were valued at £410,037 in 1967 and £575,790 in 1968, compared with exports amounting to £19,234 and £14,710 respectively. During 1968, the island had an unfavourable balance of visible trade amounting to £361,080. Of its imports, 78.11 per cent came from the United Kingdom and 21.89 per cent from South Africa. Of the island's exports, 61.28 per cent went to the United Kingdom, 28.16 per cent to South Africa and 10.56 per cent to other countries.

56. The decline in economic activity has made St. Helena more heavily dependent on grants from the United Kingdom and remittances from emigrants. A large number of its inhabitants (472 in 1969) were employed on Ascension which has recently become an important communications centre for the United Kingdom and the United States.

57. In 1969, estimated government revenue amounted to £515,442 (including a United Kingdom grant-in-aid of £257,000) and expenditure to £547,512, compared with £514,235 and £485,497 respectively in the previous year. In addition, £154,000 in

^{j/} The information presented in this section is derived from published sources and from information transmitted to the Secretary-General by the United Kingdom under Article 73 e of the Charter on 26 June 1970 for the year ending 31 December 1969.

^{k/} See Official Records of the General Assembly, Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. IX, annex I, para. 93.

Colonial Development and Welfare grants were allocated for an extension of the development programme to cover the years 1968 to 1970, bringing the total allocation since 1947 to £1,146,000. A considerable proportion of the development funds was being devoted to road improvement and agricultural development.

58. A survey of water resources was made in 1969 by an expert from the United Kingdom Ministry of Overseas Development. It is estimated that approximately £300,000 would be required for the full implementation of his recommendations. It is expected that work on the project will start in 1970. A land-use expert from the United Kingdom also visited the island to advise the Government of St. Helena on town and country planning.

59. As previously noted,^{1/} South African interests have recently entered certain key economic sectors of the Territory. At present two companies hold fishing licences: the Frank Robb and Company, which operates on the island of St. Helena, and the South Atlantic Islands Development Corporation, which operates on Tristan da Cunha, where fishing is the most important economic activity. The latter company, which is British, registered in Bermuda and has only British directors, has built a new freezing factory on the island. The shore-based fishing industry is being developed following the construction of a harbour financed by a grant of £80,000 from the United Kingdom Government. Under an agreement reached in January 1969, the St. Helena Government acquired effective control over the operations of Solomon and Company, the principal trading concern in St. Helena, in which South Atlantic Trading and Investment Company, a company registered in the United Kingdom but with South African directors, has a substantial interest.

Social conditions

Labour

60. During 1969, the principal categories of wage earners in St. Helena were: skilled and general workers, 155; building tradesmen and apprentices, 154; and agricultural labourers, 92. There were also 123 relief workers (those over sixty who would normally be in receipt of an old age pension, but who are given relief work); and 132 casual workers (those under sixty who, when unable to obtain any other employment, are given two or three days' casual work). A total of 472 St. Helenians (compared with 427 in 1968) were employed on Ascension Island in connexion with the radio communications and other facilities operated by the United Kingdom and the United States. At the end of 1969, 142 persons (240 in 1968) were registered as unemployed and receiving relief.

Public health

61. In 1969, recurrent government expenditure on medical and health services was estimated at £45,620 (an increase of £2,899 over the previous year), or 9 per cent of St. Helena's total expenditure (including Colonial Development and Welfare grants). The Public Health Department continued to maintain a fifty-four-bed hospital, whose senior staff included three medical officers. The principal causes of death were degenerative heart diseases and cancer.

^{1/} See ibid., paras. 96-103 and 109; ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. VIII, annex I, para. 94.

Educational conditions

62. Education is free and compulsory for all children between the ages of five and fifteen, although fourteen-year-olds may be exempted under certain circumstances. In 1969, school attendance in St. Helena averaged 1,105 children, distributed among eight primary, **three senior** and one secondary selective school. The standard of work at the secondary selective school was increasingly being geared to the "O" level requirements of the London University General Certificate of Education. There were sixty-four full-time and four part-time teachers. A one-year course is offered at the local teacher-training centre. Selected young teachers are sent to the United Kingdom to follow a three-year course leading to the United Kingdom Ministry of Education's Certificate in Education. Experienced senior teachers are also sent there to undertake one-year courses. In 1969, five teachers received training locally and five others studied abroad. Public expenditure on education during the year was estimated at £40,449 (compared with £40,393 in 1968) or 12 per cent of St. Helena's total government expenditure (including Colonial Development and Welfare grants).

Dependencies of St. Helena

63. Ascension Island and the Tristan da Cunha dependency are governed from St. Helena, but because of their remoteness and isolation, their administrators exercise a certain degree of autonomy.

64. Under an ordinance promulgated by the Governor of St. Helena on 31 August 1969, an Island Council was established on the Tristan da Cunha dependency. The Council consists of the Administrator, three appointed members and eight other members elected by universal adult suffrage. The most recent elections were held in November 1969. Councillors also serve on three committees charged with executive powers and general supervision of government departments. In addition, one of the elected councillors, known as the Chief Islander, assists the Administrator on day-to-day affairs.

65. As stated above (see paragraph 59 above), the South Atlantic Islands Development Corporation is expanding its operations, following the construction by the United Kingdom Government of a new harbour there. The company employs almost all of the working population of the dependency.

66. The administering Power reported that the dependency's budget for 1969/70 would show a small deficit, which was expected to be met from reserves, and that the Colonial Development and Welfare Fund would finance the construction of a new hospital and a new school.

ANNEX II

NOTE BY THE CHAIRMAN

1. At its 796th meeting on 5 May 1971, the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, by adopting the 157th report of the Sub-Committee on Petitions (A/AC.109/L.705), decided to transmit the text of a communication concerning the Seychelles (A/AC.109/PET.1165/Add.1) to the administering Power concerned for its comments or observations.

2. In accordance with the above-mentioned decision of the Special Committee, the Chairman, in a letter dated 5 May 1971, transmitted to the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations, for the attention of his Government, a copy of the communication, requesting any comments or observations which his Government might wish to make concerning its contents.

3. In a note dated 6 October 1971, the Permanent Representative of the United Kingdom transmitted to the Chairman the following comments of his Government on the communication circulated as A/AC.109/PET.1165/Add.1:

"Under the 1970 Constitution, labour matters are the responsibility of the Seychelles Council of Ministers, which contains an elected majority, and specifically of the Minister of Labour, who is an elected member of the Legislative Assembly. The Seychelles Government remained strictly neutral in the dispute between the Cable and Wireless Staff Union and Cable and Wireless Limited. The involvement of the Seychelles Government was confined to making available a Labour Officer to try to bring the two sides together, and to responding to the request, made by both sides when the strike was called off on 11 June, to provide an impartial arbitrator. The Seychelles Government duly appointed a magistrate, Mr. Wood, as arbitrator. However, before the arbitration started, representatives of the two sides agreed to resume direct negotiations. On 20 August, representatives of the Union and of the management signed an agreement in full settlement of their trade dispute."

ANNEX III*

REPORT OF SUB-COMMITTEE I

Rapporteur: Mr. E. Weidi N. MWASAKAFYUKA (United Republic of Tanzania)

A. Consideration by the Sub-Committee

1. The Sub-Committee considered the Seychelles and St. Helena at its 93rd to 97th meetings, held between 29 April and 5 August 1971 (see A/AC.109/SC.2/SR.93-97).
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see annex I to the present chapter) and petitions concerning the Seychelles (A/AC.109/PET.1165 and Add.1-3 and PET.1184). It also heard a statement by Mr. Guy Sinon, Secretary-General of the Seychelles People's United Party (SPUP).

B. Adoption of the report

3. Having considered the situation in the Seychelles and St. Helena, the Sub-Committee adopted its conclusions and recommendations on the Territories at its 97th meeting on 5 August 1971. a/ The Sub-Committee adopted the present report at the same meeting.

* Previously issued under the symbol A/AC.109/L.729.

a/ The conclusions and recommendations submitted by Sub-Committee I for consideration by the Special Committee were adopted by the latter body without modification. They are reproduced in paragraph 10 of the present chapter.

CHAPTERS X-XII

(A/8423/Add.5 (Part II))*

SPANISH SAHARA, GIBRALTAR AND FRENCH SOMALILAND**

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* Incorporating document A/8423/Add.5 (Part II)/Corr.1 of 2 December 1971.

** Note by the Rapporteur: See chapter XII, foot-note 1, concerning the new designation of the Territory.

CHAPTER X

SPANISH SAHARA

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of its Working Group (A/AC.109/L.687), decided, inter alia, to take up the question of Spanish Sahara as a separate item and to consider it at its plenary meetings.
2. The Special Committee considered the item at its 828th meeting on 6 October.
3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2708 (XXV) of 14 December 1970 on the question of the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 11 of that resolution, the Special Committee was requested by the General Assembly "to continue to seek suitable means for the immediate and full implementation of the Declaration in all Territories which have not yet attained independence and, in particular, to formulate specific proposals for the elimination of the remaining manifestations of colonialism, taking fully into account the relevant provisions of the programme of action for the full implementation of the Declaration". The Special Committee also took into account the provisions of General Assembly resolution 2711 (XXV) of 14 December 1970, by paragraph 11 of which the General Assembly requested the Special Committee "to continue its consideration of the situation in the Territory and to report thereon to the General Assembly at its twenty-sixth session".
4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action previously taken by the Special Committee and the General Assembly, and on the latest developments concerning the Territory.

B. DECISIONS OF THE SPECIAL COMMITTEE

5. At the 828th meeting, on 6 October, following a statement by the Chairman (A/AC.109/PV.828), the Special Committee decided, without objection, to transmit to the General Assembly the working paper referred to in paragraph 4 above in order to facilitate the consideration of the item by the Fourth Committee and, subject to any directives that the General Assembly might give in that connexion, to give consideration to the item at its next session.
6. At the 832nd meeting, on 26 November, following a statement by the Chairman (A/AC.109/PV.832), the Special Committee decided, without objection, to transmit to the General Assembly the text of the communications exchanged between the Secretary-General and the Permanent Representative of Spain to the United Nations (see annex II to the present chapter), in order to facilitate consideration of the item by the Fourth Committee.

ANNEX I*

WORKING PAPER PREPARED BY THE SECRETARIAT

Paragraphs

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* Previously issued under the symbol A/AC.109/L.728.

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

1. The Spanish Sahara has been considered by the Special Committee since 1963 and by the General Assembly since 1965. The Special Committee's decisions concerning the Territory are set out in its reports to the General Assembly at its nineteenth and twenty-first to twenty-fifth sessions. a/
2. The General Assembly's decisions concerning the Territory prior to 1970 are contained in resolutions 2072 (XX) of 16 December 1965, 2229 (XXI) of 20 December 1966, 2354 (XXII) of 19 December 1967, 2428 (XXIII) of 18 December 1968 and 2591 (XXIV) of 16 December 1969.
3. On 29 October, the Special Committee decided to take note of the information contained in two communications b/ referred to it by the Secretary-General concerning the implementation of paragraph 5 of General Assembly resolution 2591 (XXIV) and consisting of an exchange of correspondence between the Secretary-General and the Permanent Representative of Spain. The Special Committee also decided to transmit to the General Assembly the working paper prepared by the Secretariat c/ in order to facilitate consideration of the item by the Fourth Committee, and to give consideration to the item at its next session, subject to any directive that the General Assembly might give in that connexion.
4. On 14 December 1970, the General Assembly adopted resolution 2711 (XXV), the operative paragraphs of which read as follows:

"The General Assembly,

"...

"1. Reaffirms the inalienable right of the people of the Sahara to self-determination in accordance with General Assembly resolution 1514 (XV);

"2. Approves the chapter of the report of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples relating to the Territory of Spanish Sahara;

a/ Official Records of the General Assembly, Nineteenth Session, Annexes, annex No. 8 (A/5800/Rev.1), chap. IX, para. 112; ibid., Twenty-first Session, Annexes, addendum to agenda item 23 (A/6300/Rev.1), chap. X, paras. 116 and 243; ibid., Twenty-second Session, Annexes, addendum to agenda item 23 (part II) (A/6700/Rev.1), chap. IX, para. 38; ibid., Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. XIII, para. 5; ibid., Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. X, paras. 11 and 12; ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. IX, paras. 8 and 9.

b/ Ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. IX, annex II.

c/ Ibid., annex I.

"3. Expresses its regret that it has not yet been possible for the consultations to take place which the administering Power was to conduct with the Governments concerned in connexion with the holding of a referendum in the Territory;

"4. Declares that the continued existence of a colonial situation in the Territory retards stability and harmony in north-west Africa;

"5. Regrets the incidents of bloodshed which occurred in the Territory in June 1970 and calls upon the Spanish Government, in conformity with its obligations and its responsibility as administering Power, to take effective measures to create the atmosphere of détente required for the orderly holding of the referendum as defined by the relevant resolutions of the General Assembly;

"6. Repeats its invitation to the administering Power to determine at the earliest possible date, in conformity with the aspirations of the indigenous people of the Territory and in consultation with the Governments of Mauritania and Morocco and any other interested party, the procedures for the holding of a referendum under United Nations auspices with a view to enabling the indigenous population of the Sahara to exercise freely its right to self-determination and, to this end:

(a) To create a favourable climate for the referendum to be conducted on an entirely free, democratic and impartial basis by permitting, inter alia, the return of all exiles to the Territory;

(b) To take all the necessary steps to ensure that only the indigenous people of the Territory participate in the referendum;

(c) To comply with the resolutions of the General Assembly on the activities of foreign economic, financial and other interests operating in colonial countries and territories and to refrain from any action likely to delay the process of decolonization of the Territory;

(d) To receive a United Nations mission and to provide it with all the necessary facilities so that it may be able to participate actively in the organization and holding of the referendum, in accordance with General Assembly resolution 2591 (XXIV);

"7. Invites all States to refrain from making investments in the Territory in order to speed the achievement of self-determination by the people of the Sahara;

"8. Reaffirms that it recognizes the legitimacy of the struggle being waged by the colonial peoples for the exercise of their right to self-determination and to freedom of choice, and calls upon all States to provide them with all necessary assistance;

"9. Urges the administering Power to respect and to implement scrupulously the provisions of the relevant resolutions of the General Assembly relating to the free consultation of peoples under United Nations auspices and guarantees and in conformity with the principles of the Charter of the United Nations which define the conditions for the free consultation of peoples with a view to their self-determination;

"10. Requests the Secretary-General, in consultation with the administering Power and the Special Committee, to appoint immediately the special mission provided for in paragraph 5 of General Assembly resolution 2229 (XXI) and to expedite its dispatch to the Sahara in order to recommend practical steps for the full implementation of the relevant resolutions of the General Assembly, in particular to confirm United Nations participation in the preparation and supervision of the referendum and to submit a report to the Secretary-General for transmission to the Assembly at its twenty-sixth session;

"11. Requests the Special Committee to continue its consideration of the situation in the Territory and to report thereon to the General Assembly at its twenty-sixth session."

B. INFORMATION ON THE TERRITORY^{d/}

5. Basic information on the Territory is contained in the report of the Special Committee to the General Assembly at its twenty-fifth session. e/ Supplementary information on recent developments is set out below.

1. GENERAL

Population

6. Estimates of the number of indigenous inhabitants of the Territory outside the towns are difficult to obtain because the inhabitants are mostly nomadic herdsmen. According to the last official census, taken in 1967, the total population numbered 56,742, of whom 45,558 were indigenous persons and 10,184 were Europeans. Excluding transients, the capital, El Aaiún, had 15,758 inhabitants and the smaller communities of Villa Cisneros, Smara and Güera had, respectively, 5,570, 2,130 and 750 inhabitants.

7. The administering Power reports that a further census of the population was undertaken during 1970. The results of the census are not yet available.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

Constitution

8. The constitutional arrangements described in the previous working paper f/ remained unchanged during the year, except that the elected membership of the Yema'a (territorial General Assembly) was increased from 40 to 56. The functions

g/ The information presented in this section is derived from published sources and from information transmitted to the Secretary-General by Spain under Article 73 e of the Charter of the United Nations on 1 July 1970 and 30 June 1971.

e/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1) chap. IX, annex I.

f/ Ibid., paras. 7-11.

of the Yema'a, which is composed of tribal chiefs, elected representatives from the tribal or nomadic units of the Territory, as well as the president of the Cabildo Provincial (Provincial Assembly) and the mayors of El Aaiún and Villa Cisneros, are to advise on matters concerning economic and social development.

9. On the local level, Mr. Abdelmati uld Mohammed uld Breica was sworn in as the new mayor of El Aaiún on 8 September; he replaced Mr. Hamuadi uld Hamuadi.

Visits by Spanish officials

10. Several Spanish senior officials, including the Minister of the Armed Forces, the Minister of Industry and the Minister of Housing, visited the Territory during 1970. In a speech delivered at El Aaiún in July, the latter stated that only the Saharwis were in a position to decide on their future, and he felt certain that they did not wish, nor would they tolerate, having someone else claim to speak on their behalf. It had never been Spain's intention to restrict the sovereignty of the inhabitants of the Sahara. The Minister further stated that the population should not worry about its future, as no country had any right over the Territory and no one could act against the will of its inhabitants. If the Saharwi people should so desire, Spain would ensure that their expressed will remained unaffected by pressures foreign to the Territory. Regarding the discovery of mineral riches in the Territory, the Minister stated that these belonged to the people and that they would benefit from them.

Incidents of June 1970

11. According to press reports, between two and 12 persons were believed to have been killed at El Aaiún on 17 June 1970 during disturbances in which Spanish troops reportedly fired on a crowd of about 2,000 demonstrators, who disrupted a rally organized by the Spanish authorities in connexion with the proposed referendum on the Territory's future. Among those arrested following the incidents were Khattri Ould Said Ould El Joumami, chief of the R'gheba tribe, and Cheikh Ould Salek Ould Ba Ely. On 24 June, both were reported to have been placed under house arrest. It was later reported in the press that, one week after the reported incident of 17 June, the situation remained tense in El Aaiún and that warships and troops had been sent to the Territory by the Spanish Government.

Diplomatic talks concerning the Territory

12. On three occasions during the year, diplomatic talks were held during which the question of Spanish Sahara was discussed by the Heads of State of Algeria, Mauritania and Morocco. On 27 May, King Hassan II of Morocco met with President Boumedienne of Algeria in Tlemcen, Algeria. In a final joint communiqué, the Heads of State indicated the determination of their respective Governments "to co-ordinate their action to liberate the Territories occupied by Spain in Africa so as to ensure their decolonization". Later, on 8 June, following talks held in Casablanca in connexion with the signature of a treaty between Morocco and Mauritania, the Heads of State of the two countries stated in a joint communiqué that the two Governments would "collaborate closely to hasten the liberation of the Spanish-dominated Sahara, in accordance with the relevant United Nations resolutions". Finally, on 14 September 1970, King Hassan II of Morocco, President Boumedienne of Algeria and President Ould Daddah of Mauritania met in Nouadhibou,

Mauritania, "in order to exchange views, in particular on matters related to regional issues". At the end of the conference, a joint communiqué was issued stressing that the three leaders had decided "to strengthen their co-operation in a positive manner to speed up the liberation of Spanish Sahara from colonialism, in accordance with United Nations resolutions". To this end, the three countries had decided to set up a tripartite co-ordinating committee to which they entrusted the task of following constantly the process of decolonization in the Territory in both the political and diplomatic fields. It was further announced that the leaders of the three countries had decided to meet again, at an unspecified date, in order to study developments in the area.

3. ECONOMIC CONDITIONS

Oil

13. Although the search for oil has so far proved inconclusive and only one survey, conducted in 1969, has reportedly shown signs of oil deposits in the area, oil exploration was resumed off the coast of the Territory in 1970. In July, a spokesman for Unión Carbide Petroleum España, Inc. stated that his company would soon be starting preliminary seismic and other studies for a new off-shore drilling near the coast, adding that his company intended to invest some 147 million pesetas g/ in the operation, the first phase of which was expected to last two years. Later, in September, it was reported that, for the previous several months, the National Aragonese Petroleum Company, Inc. had been carrying out oil exploration activities off the coast of El Aaiún. The capital of the company was reported to be entirely Spanish.

Phosphates

14. In June 1970, a contract was reported to have been negotiated between the British company, Fisons Levington, and the Spanish company, Fosfatos de Bu-Craa, S.A., regarding the technical assessment and evaluation of phosphate rock from deposits found in the Territory. The tests are scheduled to be carried out by Fisons' fertilizer division and will cover the manufacture of phosphoric acid and all phosphate intermediates. The vice-president of the Spanish company, an affiliate of the Instituto Nacional Industrial, later stated that the marketing of phosphates from the Bu-Craa deposits would begin in 1972. According to recent reports, Fosfatos de Bu-Craa, S.A. has already invested some 5,000 million pesetas in the deposit; it is estimated that the future level of production, which according to the company should average 10 million tons of ore annually, will require a total investment of 20 thousand million pesetas.

15. During the year, it was also reported that the construction of the 100-kilometre conveyor belt which is to transport the phosphate ore from the mines to the wharf at El Aaiún, was well under way. The loading pier itself, which will be capable of receiving ships of up to 10,000 tons, was reported to have been completed. The pier is said to be equipped with five loading machines.

g/ The local currency is the Spanish peseta, which is equal to \$US0.0145: \$US1.00 equals 68.91 Spanish pesetas.

capable of handling 4,000 tons of ore per hour and it has an auxiliary port with two 6-ton cranes and one 150-ton derrick which is reportedly one of the longest of its kind in the world. In addition, it was reported that an ore-storage structure with a capacity of 300,000 tons had been completed and that work had begun on a heating plant which will be equipped with three 12,000 horse power engines and a 20,000 kw turbine.

Water

16. The search for water reportedly received renewed attention during the year, following a number of requests by the Yemā'a. Information received from the administering Power indicates that while in the early 1960s the Territory's water supply depended on fewer than 10 permanent wells, the daily production of which did not exceed 1,000 cubic metres each, the drilling of new wells throughout the Territory had raised the daily supply to 54,330 cubic metres by the end of 1970 and this figure was expected to double during 1971. In March 1970, some 60 permanent wells were reported to be in operation around El Aaiún, Villa Cisneros, Aargub and Smara, including one 400-metres deep. During 1970, a number of ground-water surveys and drillings were undertaken in the central and southern regions and along the north-south route used by the Territory's nomads.

17. Following the discovery of ample supplies of water near Villa Cisneros and Aargub, efforts were reportedly made to diversify the local economy by developing irrigated market gardening in the area, notably at Tanarta near Villa Cisneros, at Villa Cisneros itself, and at Tiniguir, near Aargub. At Tiniguir, out of a potential irrigable area of 120 hectares, 60 hectares were already under cultivation in 1970, producing forage and grain crops including barley, maize, wheat and alfalfa, as well as vegetables.

4. SOCIAL CONDITIONS

Public health

18. It is reported that 42 million pesetas, out of a total territorial budget of 635 million pesetas, has been allocated for health services in the Territory for 1971. The corresponding figure for 1969 was 37.5 million pesetas.

19. At the end of 1969, hospital services in the Territory consisted of one provincial hospital at El Aaiún with a capacity of 150 beds and hospitals in Villa Cisneros and Güera with a capacity respectively of 450 and 20 beds. In addition, there were permanent dispensaries at El Aaiún, Daora, Hausa, Echdeiria, Mahbes, Tifariti, Guelta Semmur, Cabo Bojador, Aargub and Villa Cisneros, as well as joint dispensarios-enfermerías (dispensary-infirmaries) in Smara (10 beds) and Auserd (6 beds), puestos sanitarios (health stations) in Hagunia, Edchera, Bir Nazaran and Tichla, and eight medical field units. The medical staff consisted of 18 doctors, 25 ayudantes técnicos sanitarios (health aides), two midwives and 34 sanitarios (health workers).

20. According to the administering Power, the mass vaccination and revaccination campaigns undertaken in the Territory have markedly improved the general health condition of the population. Communicable diseases such as smallpox, malaria and syphilis have been brought under almost complete control,

with only a few cases reported between 1965 and 1968. Tuberculosis remains the main health problem in the Territory and has been the object of a mass vaccination and treatment campaign for the last four years. In 1966, there were 261 cases reported; in 1967, there were 310; in 1968 there were 173; and in 1969 there were 220 cases reported. The disease is being treated in especially equipped wards at the El Aaiún and Villa Cisneros hospitals and at a sanatorium in Las Palmas, Canary Islands. In all cases, medical help and medicine are provided free of charge to the indigenous population and the administration is reportedly in the process of setting up a seguro nacional de enfermedad (national social security service) for the entire working population.

21. Reports from the administering Power also indicate that an increasing percentage of the indigenous population is being trained for service in the medical and health fields. The two escuelas de formación y perfeccionamiento de sanitarios (health-worker training and improvement centres) attached to the Villa Cisneros and El Aaiún hospitals from their inception in 1961, have since graduated about 100 indigenous health technicians after completion of either a one-year or two-year course. In addition, one indigenous student was reported to be studying medicine in Madrid while another native of the Territory was completing a three-year midwifery training programme at Las Palmas.

22. In February 1970, the Territory was reported to have one hospital bed for every 150 inhabitants and one doctor for every 1,090 persons. Plans include the construction of two hospitals at El Aaiún and Villa Cisneros at a total cost of 35 million pesetas, and a smaller one at Güera at a cost of 4 million pesetas.

Housing

23. According to the administering Power, 499 buildings were constructed in the Territory in 1968. Of these, 204 were constructed at El Aaiún, 40 at Villa Cisneros, 53 at Smara, 50 at Auserd, 50 at Daora, 25 at Cabeza Playa de Aaiún and 77 at various other population centres. Of the 244 buildings constructed in the two urban areas, 197 were for dwelling purposes and 47 were for other uses; 249 of the 255 buildings constructed in rural areas were for dwelling purposes.

5. EDUCATIONAL CONDITIONS

24. It was reported by the administering Power that, during the 1967/68 school year, the Territory had 73 primary schools, including 30 for boys, 20 for girls and 23 co-educational establishments, which were attended by 1,142 European and 1,304 Saharwi pupils. Of the latter, 1,091 were boys and 213 were girls. In addition, there were reported to be 994 European and 1,134 indigenous pupils at the asistencia media level. At the beginning of the year, 103 teachers (73 Europeans and 30 Saharwis) were working in the Territory's primary schools.

25. During the same year, six schools which had been specially set up to cater to the needs of the nomadic school-age population were attended by 168 pupils (138 boys and 30 girls). The faculty for these schools consisted of six European and six Saharwi teachers.

ANNEX II

EXCHANGE OF COMMUNICATIONS BETWEEN THE SECRETARY-GENERAL AND THE REPRESENTATIVE OF SPAIN

A. Letter dated 21 January 1971 from the Secretary-General addressed to the representative of Spain

I have the honour to transmit herewith, for the attention of your Government, the text of resolution 2711 (XXV) on the question of Spanish Sahara, adopted by the General Assembly at its 1929th plenary meeting, on 14 December 1970.

In transmitting this resolution, I wish in particular to refer to operative paragraph 10, by which the General Assembly requested me, in consultation with your Government and with the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, to appoint immediately the special mission provided for in operative paragraph 5 of General Assembly resolution 2229 (XXI) and to expedite its dispatch to Spanish Sahara. I should appreciate receiving at an early date the views of your Government concerning the appointment of the proposed mission.

B. Letter dated 22 November 1971 from the representative of Spain to the Secretary-General

Further to my note No. 23 of 5 February 1971, acknowledging receipt of your note of 21 January transmitting the text of General Assembly resolution 2711 (XXV) on the question of Spanish Sahara, I have received instructions from my Government which I am communicating to you herewith. The Spanish Government reiterates once again its support of the application of the principle of self-determination to Spanish Sahara and, as it has already stated on previous occasions, is gratified that this position is endorsed by the countries which have directed their attention to this question.

Given the nomadic character of the population, the preparations for the census have required considerable time. Once its tasks have been completed, my Government will await the moment when the rightful population of the Sahara -- consisting, of course, of the indigenous inhabitants of African ancestry -- expresses a desire to exercise its right of self-determination. When that time comes, a date will be set on which, free from external pressures of any kind, the above-mentioned population will be able to make its wishes known. At that point, in accordance with its previous statements, and to facilitate the act of self-determination, the Spanish Government will notify the United Nations in due time so that it can arrange for its presence during any event of such significance for the future of the Territory.

I am pleased to inform you that the utmost calm has prevailed in the Territory throughout the current year.

CHAPTER XI

GIBRALTAR

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of its Working Group (A/AC.109/L.687), decided, inter alia, to take up the question of Gibraltar as a separate item and to consider it at its plenary meeting.
2. The Special Committee considered the item at its 828th meeting on 6 October.
3. In its consideration of the item, the Special Committee, aware that the General Assembly at its twenty-fifth session had decided to postpone consideration of the question of Gibraltar to its twenty-sixth session, took into account the relevant provision of General Assembly resolution 2708 (XXV) of 14 December 1970 on the question of the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 11 of that resolution, the Special Committee was requested by the General Assembly "to continue to seek suitable means for the immediate and full implementation of the Declaration in all Territories which have not yet attained independence and, in particular, to formulate specific proposals for the elimination of the remaining manifestations of colonialism, taking fully into account the relevant provisions of the programme of action for the full implementation of the Declaration".
4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action taken previously by the Special Committee and the General Assembly, and on the latest developments concerning the Territory. A letter, dated 17 September 1971, addressed to the Secretary-General by the Permanent Representative of Spain to the United Nations concerning the working paper was also circulated to the Special Committee (see annex II to the present chapter).

B. DECISION OF THE SPECIAL COMMITTEE

5. At its 828th meeting, on 6 October, following a statement by the Chairman (A/AC.109/PV.828), the Special Committee decided, without objection, to transmit to the General Assembly the working paper referred to in paragraph 4 above in order to facilitate the consideration of the item by the Fourth Committee and, subject to any directives that the General Assembly might give in that connexion, to give consideration to the item at its next session.

ANNEX I*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.742

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

1. Gibraltar has been considered by the Special Committee since 1963 and by the General Assembly since 1965. The Special Committee's decisions concerning the Territory are set out in its reports to the General Assembly at its eighteenth to twenty-fifth sessions. a/ Action taken by the General Assembly on this item prior to 1970 consisted of the adoption of resolutions 2070 (XX) of 16 December 1965, 2231 (XXI) of 20 December 1966, 2353 (XXII) of 19 December 1967, 2429 (XXIII) of 18 December 1968 and its decision of 16 December 1969.

2. On 29 October 1970, the Special Committee decided to transmit to the General Assembly the working paper prepared by the Secretariat in order to facilitate consideration of the item by the Fourth Committee and, subject to any directives which the General Assembly might give, to consider the item at its next session. On 14 December 1970, the General Assembly decided to postpone consideration of the question of Gibraltar until its twenty-sixth session.

B. INFORMATION ON THE TERRITORY b/

3. Information on the Territory is contained in the reports of the Special Committee to the General Assembly at its eighteenth to twenty-fifth sessions (see foot-note a/ below). Supplementary information is set out below.

1. GENERAL

Population

4. At the end of 1969, the civilian population of Gibraltar was estimated to number 28,407, comprised as follows: Gibraltarians, 19,368; other British, 5,614; and aliens, 3,425. The last census, taken in October 1970, showed a total civilian population of 27,965.

a/ Official Records of the General Assembly, Eighteenth Session, Annexes, addendum to agenda item 23, document A/5446/Rev.1, chap. XII, para. 97; ibid., Nineteenth Session, Annexes, annex No. 8 (part I) (A/5800/Rev.1), chap. X, para. 209; ibid., Twenty-first Session, Annexes, addendum to agenda item 23 (A/6300/Rev.1), chap. XI, para. 66; ibid., Twenty-second Session, Annexes, addendum to agenda item 23 (part II) (A/6700/Rev.1), chap. X, para. 215; ibid., Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. XIV, para. 6; ibid., Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. XI, para. 6; ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. X, para. 5.

b/ The information contained in this section has been derived from published sources and from the information transmitted to the Secretary-General by the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter on 30 July 1970 for the year ending 31 December 1969, and on 23 June 1971 for the year ending 31 December 1970.

2. POLITICAL DEVELOPMENTS

Statement by the United Kingdom Minister of State for Foreign and Commonwealth Affairs

5. In a statement to the United Kingdom House of Commons made on 6 July 1970, Mr. Joseph Godber, Minister of State for Foreign and Commonwealth Affairs, reaffirmed the undertaking of the preamble to the Gibraltar Constitution Order-in-Council of May 1969 in which it is stated that "Gibraltar will remain part of Her Majesty's dominions unless and until an Act of Parliament otherwise provides, and furthermore that Her Majesty's Government will never enter into arrangements under which the people of Gibraltar would pass under the sovereignty of another State against their freely and democratically expressed wishes". The Minister added that the United Kingdom Government would "continue to stand by the people of Gibraltar and to support them in the difficult circumstances brought about by the restrictions imposed on Gibraltar by Spain". In his opinion, no serious progress towards settlement would be possible so long as these restrictions remained in force, and the Government would work for their removal. This was a difficult problem and progress towards a solution could well be slow. Meanwhile, the Government welcomed the improved atmosphere in Anglo-Spanish relations, and expressed the hope, which was believed to be shared by the Spanish Minister for Foreign Affairs, that this would enable the whole issue to be dealt with quietly and calmly and thus gradually to build up the basis of confidence and goodwill needed if real progress were to be made in reaching understandings which reflected the interests of all concerned.

Talks between Gibraltar and United Kingdom officials

6. Before his departure on 24 August 1970 for London, Major Robert Peliza, Gibraltar's Chief Minister, stated that he would have talks with Mr. Godber in the presence of Gibraltar's Governor, Sir Varyl Begg. During the talks, he would raise questions relating to Anglo-Spanish relations, the European Economic Community (EEC) and his Government's policy of integration of Gibraltar with the United Kingdom, with special reference to the Gibraltarians acquiring United Kingdom citizenship. On the possibility of talks with Spain, he said that the Territory wanted a return to normality but not at the expense of sovereignty or of granting any concessions that would be detrimental to Gibraltar.

7. Following his meeting with Mr. Godber, Major Peliza stated that he had been assured of the support of the United Kingdom Government in its negotiations with the EEC and Spain but had received no definite answer to the question of United Kingdom citizenship for Gibraltarians. Therefore, he was seriously worried that legislation might be introduced by the United Kingdom Government which would result in Gibraltarians being treated as aliens.

8. On 4 September, after his return to the Territory, Major Peliza launched a campaign to restore to Gibraltarians the right of citizenship which they had enjoyed before the Commonwealth Immigrants Act of 1962. His position was strengthened by the announced readiness to co-operate of the leader of the Opposition, Sir Joshua Hassan.

9. On 19 November, Mr. Mark Carlisle, Parliamentary Under-Secretary of State at the Home Office, stated in reply to a question in the United Kingdom House of Commons that: "Citizens of the United Kingdom and Colonies who derive their citizenship from connexion with Gibraltar are subject to the Commonwealth Immigrants Act; but they are in practice freely allowed to stay (in the United Kingdom) in employment."

10. Earlier, the EEC had confirmed that Gibraltar would be covered by article 227 (4) of the Treaty of Rome, which specifies that the provisions of the Treaty shall apply to the European territories for whose external relations a Member State is responsible. Upon being informed of this confirmation, Major Peliza expressed the opinion that common ground would in time be found, in a forward-looking spirit, which would enable the situation in Gibraltar to return to normality.

11. At about the same time, the Spanish Government notified the EEC of its "most express and formal reservations" about any arrangement for Gibraltar that might be agreed with the United Kingdom in the entry negotiations. It recalled the long-standing dispute with the United Kingdom over Gibraltar as well as General Assembly resolutions requesting the United Kingdom to terminate the colonial situation in the Territory.

12. On 7 December, Mr. Godber, stated that in the event of the United Kingdom joining the EEC, Gibraltar would come under article 227 (4) of the Treaty of Rome, which he thought would be in accordance with the wishes of the people of the Territory.

Statement by the Spanish Minister for Foreign Affairs

13. On 3 February 1971, in a speech delivered at the Higher Centre of Studies for National Defence /Centro Superior de Estudios de la Defensa Nacional/ in Madrid, Mr. Gregorio Lopez Bravo, the Spanish Minister for Foreign Affairs, reiterated Spain's claim to Gibraltar and called for negotiations with the United Kingdom to settle the current dispute. Gibraltar, he said, was a foreign military base on Spanish soil which would endanger his country in the case of a war. While defending its rights in the air space and waters adjoining Gibraltar, Spain, however, did not wish to adopt a hostile or negative attitude towards the United Kingdom and believed that it was possible and desirable for the two countries to find a definitive solution to the Gibraltar dispute through patient and serene negotiations conducted in good faith on the basis of the well-founded resolutions of the United Nations. He also said that Spain was ready to give generous treatment to the Gibraltarians.

Visit to Spain by the United Kingdom Permanent Under-Secretary of State for Foreign and Commonwealth Affairs

14. During a visit to Madrid on 3 June 1971, Sir Denis Greenhill, the United Kingdom Permanent Under-Secretary of State for Foreign and Commonwealth Affairs, had informal talks with senior Spanish officials, including Mr. Lopez Bravo, the Minister for Foreign Affairs. The talks were reported to have covered the whole range of Anglo-Spanish relations, including the questions of Gibraltar and a prospective visit to Madrid by Sir Alec Douglas-Home, the United Kingdom Secretary

of State for Foreign and Commonwealth Affairs. According to press reports, no progress was made on the question of Gibraltar, but it was indicated that the Spanish authorities would like Sir Alec to accept the invitation issued in 1970 by Mr. Lopez Bravo to visit Madrid "at the proper time".

Statement by the United Kingdom Parliamentary Under-Secretary for Foreign
and Commonwealth Affairs

15. On 14 June 1971, Mr. Anthony Royle, Parliamentary Under-Secretary for Foreign and Commonwealth Affairs, stated in reply to a question in the United Kingdom House of Commons that the Government and people of Gibraltar continued to face their difficulties with determination and resourcefulness. The Secretary of State for Foreign and Commonwealth Affairs looked forward to his visit there in September. Meanwhile, the United Kingdom Government's policy remained exactly as set out in the statement by the Minister of State for Foreign and Commonwealth Affairs on 6 July 1970 (see paragraph 5 above).

3. ECONOMIC CONDITIONS

General

16. The Territory's economy continues to depend largely on the entrepôt trade as well as on the provision of supplies to visiting ships and tourists and to the military personnel attached to the base. There are a number of relatively small industrial concerns engaged in tobacco and coffee processing, meat canning and the bottling of beer, mineral waters, etc., mainly for local consumption. Other concerns are primarily engaged in the manufacture of cotton textile goods produced chiefly for exports.

17. Apart from the dockyards and installations serving United Kingdom naval forces, the port facilities include a small but active commercial ship repair yard. In 1970, a total of 2,368 (2,399 in 1969) merchant ships totalling 10,171,848 (10,242,149 in 1969) net registered tons entered the port of Gibraltar. During this period, cargo handled at the port increased from 201,341 to 255,106 tons, and the number of passengers embarked and disembarked increased from 136,548 to 188,789.

18. In 1970, the Territory's total external trade was £13.4 million, an increase of £1.2 million over the previous year. Exports were valued at £2.2 million in 1969 and £3.1 million in 1970; imports totalled £10.0 million and £10.3 million respectively. Of all exports in 1970, 52 per cent was represented by petroleum products and 42 per cent by tobacco, food-stuffs, manufactured and other goods. In the same year, the principal imports, mainly from the United Kingdom, were manufactured goods, food-stuffs and fuels.

19. On 10 February 1971, the Parliamentary Under-Secretary of State at the Foreign and Commonwealth Office, the Marquess of Lothian, drew the attention of the United Kingdom House of Lords to the statement made by the Minister of State for Foreign and Commonwealth Affairs on 6 July 1970 that the United Kingdom Government would "work for the removal of the restrictions imposed on Gibraltar by Spain" (see paragraph 5 above). Meanwhile, he said, the Territory continued by a process of adaptation to overcome the effects of the Spanish restrictions, and the economy continued to make good progress.

20. At about the same time, Mr. M. Xiberras, Gibraltar's Minister for Labour and Social Security, said that the family incomes and standard of living of Gibraltarians had greatly improved. He explained that the shortage of labour resulting from the withdrawal of the Spanish workers by the Spanish Government had encouraged many people to supplement their main earnings with secondary employment. He recognized that high levels of employment had created problems, notably inflation, but held that the labour shortage had forced higher productive investment. He also believed that his Government's attempts to control prices and plan wages, within the context of an over-all economic programme, would pay dividends in the long run.

Public finance

21. According to the budget estimates for 1970 approved by the Gibraltar House of Assembly, recurrent revenue was expected to amount to £4,179,921 and recurrent expenditure to £3,934,032 (excluding a commitment totalling £220,000 in respect of the estimated cost of the Marsh interim award for the Government's staff), compared with actual revenue and expenditure of £3,899,281 and £4,207,755, respectively, in the previous year. The principal items of revenue are customs and licences, excise and internal revenue which, in 1970, were estimated at £1,621,480. Of the total estimated expenditures for 1970, social services accounted for £1,390,130 and public works for £1,304,120. Expenditure of a capital nature is financed through the Improvement and Development Fund. Receipts of the Fund were £576,173 (including a Colonial Development and Welfare grant of £547,269) in 1969 and were estimated to be £1,174,865 (including a Colonial Development and Welfare grant of £1,091,473) in 1970. During these years, expenditures from the Fund were £700,097 (actual) and £1,257,161 (estimated) respectively. Of the latter sum, £915,440 would be devoted to housing and £87,640 to tourist development.

22. The Gibraltar development programme for the period from April 1967 to March 1970 was aimed at creating a viable economy by ensuring fullest development of the Territory's tourist potential, attracting permanent residents, and making full use of the port. The programme provided for an expenditure of £3,871,000, which was largely financed by the United Kingdom Government.

23. It will be recalled that at the talks held in London in December 1969 under the chairmanship of Lord Shepherd, c/ the then Minister of State at the Foreign and Commonwealth Office, the representatives of the Gibraltar Government tabled a comprehensive development programme for the three years 1970 to 1973, drawn up with the object of counteracting the economic difficulties resulting from the Spanish restrictions and in the light of the report of the Manpower Mission headed by Lords Beeching and Dalacourt-Smith which visited Gibraltar in 1968 to study the Territory's manpower requirements. The programme comprised the provision of a further 750 housing units in addition to the current housing programme (including the Viaduct housing project), the immediate construction of a hostel for temporary immigrant labour, the introduction of a system of comprehensive secondary education, additional medical facilities, port development and appropriate schemes for tourist development. After discussions, it was agreed that the United Kingdom Government would give aid worth about £4 million for the programme exclusive of technical assistance.

24. On 15 March 1971, Mr. Anthony Kershaw, Under-Secretary for Foreign and Commonwealth Affairs, stated that the United Kingdom Government had already approved financial aid of £3.2 million for projects proposed in the Gibraltar development programme for 1970-1973. A further £800,000 was expected to be spent on the Viaduct housing project before the end of 1973. Subsequently, after discussions with the Gibraltar Government on the future financing of this project, it was announced that a further offer of assistance for the period 1973-1976 had been accepted by the Gibraltar Government. The estimated cost of the project, exclusive of land value, was £5.15 million, which would be financed by the United Kingdom Government. Three-quarters of the total amount required would be by way of grant and the balance by loan repayable over 25 years. The financing of this project was likely to be the major part of the Gibraltar development programme for the period from April 1973 to March 1976, with which the United Kingdom Government would be associated.

Development of tourism

25. According to information supplied by the administering Power, tourism has been growing and, since the imposition of restrictions by Spain, there has been an increase in the proportion of tourists who prolong their stay in Gibraltar for periods of more than one day. According to a statement made on 10 February 1971 by the Parliamentary Under-Secretary of State at the Foreign and Commonwealth Office, inclusive holidays increased by 25 per cent in 1970 and local expenditure, by tourists was estimated at about £2.6 million, with a net contribution to the gross domestic product of £1.12 million, slightly more than for 1969.

26. On 26 March 1970, Lord Shepherd, the then Minister of State at the Foreign and Commonwealth Office, stated in reply to a question in the United Kingdom House of Lords that further development of air communications to and from Gibraltar was a matter in the first instance for the commercial judgement of airlines, but that he had asked for an inquiry to be made into the load factors of air services to Gibraltar. In his statement, Lord Shepherd also said that the United Kingdom Government had approached the Portuguese aviation authorities about Gibraltar Airways' proposed service to Lisbon, but that they had raised some objections. In a statement made in the same House during April 1971, the Minister without portfolio, Lord Drumalbyn, said that his Government had not yet received a reply from the Portuguese authorities to its latest communication on the subject dated 15 December 1970.

27. In April 1971, the Gibraltar Minister for Information, Port, Trade and Industry, Major A. Gache, visited London for talks with the United Kingdom Government and officials of the two airlines operating on the London-Gibraltar route, i.e., British European Airways (BEA) and Caledonian British United Airways (BUA). He said that Gibraltar was hoping for a 20-25 per cent increase in the number of tourists from the United Kingdom in 1971 and wanted to strengthen the tourist trade (which accounted for 40 per cent of the Territory's income) by increasing the number of flights from London. Major Gache also expressed dissatisfaction at the recent fare increases on the London-Gibraltar air route and the introduction on 1 April 1971 of a six-day minimum stay requirement on the night flights. He expressed the hope that his Government would be consulted on future civil aviation matters.

28. On 27 May, it was announced that after reconsidering the six-day minimum stay condition, the United Kingdom Government had decided to maintain this condition. However, in order not to impede the flow of tourists to Gibraltar in the winter, the special group inclusive tour arrangements would include facilities for short holidays of three or four days, instead of the minimum of six days.

4. SOCIAL CONDITIONS

Labour

29. According to the administering Power, almost half the male wage earners in the Territory are employed by United Kingdom Government Departments (Ministries of Defence and Public Buildings and Works) or the Gibraltar Government. In the private sector, the largest employer is the construction industry. Commercial enterprises provide employment for a substantial number of clerical workers in shipping offices and trading agencies. Hotels, catering services, retail distributing trades and stevedoring are the other main sources of private employment. At the end of 1969, the total insured labour force was 8,914, representing a decrease of about 3,100 from the figure for 1968. This decrease was due to the withdrawal of Spanish workers by the Spanish Government in June 1969.

30. Since then, Gibraltar has depended heavily on migrant labour. In 1970, approximately 3,000 largely unskilled migrant workers reportedly came from Morocco, and some others from the United Kingdom and elsewhere. The long-term objective of the Gibraltar Government is to increase the permanent population by attracting immigrant workers wishing to take up residence in the Territory.

31. As noted in paragraph 23 above, the Gibraltar development programme for 1970-1973 was drawn up in the light of the recent report of the Manpower Mission. The main recommendations of the Mission were the rationalization of local industries, the development of new light industries, increased mechanization, greater emphasis on technical education and higher wages through higher productivity. In 1970, however, the president of the Gibraltar Chamber of Commerce was reported to have severely criticized attempts to give effect to these recommendations as having seriously impaired the efficiency of business in the Territory and threatened to undermine the economy. In his opinion, local businessmen should be at liberty to bring in the right kind of productive labour from neighbouring countries in order to improve standards and service in the hotel, catering and distributive trades. Disagreeing with these views, Mr. Xiberras, Gibraltar's Minister for Labour and Social Security, is reported to have expressed the opinion that apart from the need to import contract workers for specific projects and obtain the right skills for certain key places such as the dockyards, the present labour force, although considerably short of that existing prior to June 1969, should be capable of coping with the current level of economic activity. To this effect, emphasis should be placed on higher productivity, longer working hours (including part-time or secondary employment) and training schemes.

Housing

32. Public expenditure on new housing in 1969 amounted to £438,600, of which £406,400 were met from grants and the remainder from local funds. At the end of the year, 120 apartments, which had been commenced in 1966, were completed and another 368 were being constructed at three sites. However, the housing shortage persisted despite the fact that a total of 2,267 flats had been completed since 1945 at a cost of £7 million. Taking this into account, the United Kingdom Government agreed to provide the Territory with financial aid for various schemes, including the construction of 1,300 new housing units and a hostel for temporary immigrant labour (see paragraph 23 above). In June 1970, it was announced that the United Kingdom Government would grant £225,000 to Gibraltar for the erection of the hostel referred to above. This scheme was scheduled to be completed within 30 weeks.

33. In view of the acceleration of housing development, the Gibraltar Government decided to acquire additional distillation plants to meet the every-increasing demand for water. One such plant with a capacity of 225,000 gallons per day was built in 1968 and another with a capacity of 110,000 gallons per day was expected to be completed in mid-February 1971.

Public health

34. Government expenditure on public health in 1970 totalled £442,686, an increase of £63,027 over the previous year. Since the merging of the city council and government departments in 1969, the Medical and Health Department has functioned as one unit under the Minister for Medical and Health Services.

35. In 1970, the Government hospital services of the Territory consisted of the following three hospitals: (a) St. Bernard's Hospital, with 182 beds, which provided a comprehensive out-patient service and in-patient treatment for acute medical and surgical cases, as well as a maternity section and a ward for elderly patients; (b) St. Joseph's Hospital, with accommodation for 50 patients, which provided treatment for mental diseases; and (c) the Infectious Diseases Hospital, with 10 beds, which was maintained in fulfilment of the requirements of the International Sanitary Conventions for Maritime and Aerial Navigation. During the year, progress was made on the conversion of the King George V Hospital building into a psychiatric unit and its completion was scheduled for May 1971. Plans were also prepared for the enlargement of St. Bernard's Hospital and the construction of a health centre.

5. EDUCATIONAL CONDITIONS

36. According to information furnished by the administering Power, the educational policy of the Gibraltar Government is based on the following four main principles:

(a) Equality of educational opportunity for all and the education of every child according to his abilities, aptitudes and needs;

(b) Fostering of a sense of community and an awareness and an understanding of other peoples and other nations in the world;

(c) Support of the requirements of the community by endeavouring to produce well-educated and well-trained men and women;

(d) Maintenance, extension and improvement of existing educational standards.

Education is free and compulsory for all children between the ages of 5 and 15.

37. During the period 1969/70, there were 10 government primary schools, two private schools and two schools for the children of personnel in the armed services. The total enrolment of these schools increased from 3,239 to 3,382. Co-education was introduced in all government primary schools in September 1969 and all other schools are expected to be fully co-educational by 1973. Both the services schools are co-educational. The United Kingdom Ministry of Defence became responsible for the primary education of the children of personnel in the armed services on 1 January 1969. During the same period, the number of students enrolled in the six government secondary schools rose from 1,780 to 1,785. The Territory also had three technical and vocational training schools, all run by the Government, with 50 pupils in 1970, or one more than in the previous year.

38. In 1970, the schools were served by 281 full-time teachers (the same as in 1969), of whom 171 were qualified and 19 had diplomas in education.

39. Scholarships are made available for universities, teacher-training and other institutions of higher education in the United Kingdom. In 1970, 88 students were undertaking courses there, of whom 56 were in teacher-training institutions, 29 in universities and three in other institutions of higher learning.

40. Government expenditure on education in 1970 was estimated at £329,647, compared with actual expenditure of £302,522 in the previous year.

ANNEX II*

LETTER DATED 17 SEPTEMBER 1971 FROM THE REPRESENTATIVE OF SPAIN
TO THE SECRETARY-GENERAL

In paragraphs 5, 19 and 25 of the Working Paper prepared by the Secretariat on the question of Gibraltar, a/ reference is made to alleged "restrictions" imposed on Gibraltar by Spain. These references, appearing in the above-mentioned paragraphs, occur in statements made by representatives of the Government of the administering Power (paragraphs 5 and 19) or in information supplied by that Power (paragraph 25).

With regard to this matter, I wish to draw your attention to the fact that the Spanish Government does not agree to the expression "restrictions imposed on Gibraltar by Spain", since, as is well known, the Spanish Government has confined itself to a partial application of the legal rules laid down by the Treaty of Utrecht.

I should be glad if you would arrange for this letter to be circulated as an addendum to the working paper.

(Signed) Jaime de PINIES

* Previously issued under the symbol A/AC.109/386.

a/ See annex I to the present chapter.

CHAPTER XII

FRENCH SOMALILAND^{1/}

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of its Working Group (A/AC.109/L.687), decided, inter alia, to take up the question of French Somaliland as a separate item and to consider it at its plenary meetings.
2. The Special Committee considered the item at its 828th meeting, on 6 October.
3. In its consideration of the item, the Special Committee, aware that the General Assembly at its twenty-fifth session had decided to postpone consideration of the question of French Somaliland to its twenty-sixth session, took into account the relevant provision of General Assembly resolution 2708 (XXV) of 14 December 1970 on the question of the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 11 of that resolution, the Special Committee was requested by the General Assembly "to continue to seek suitable means for the immediate and full implementation of the Declaration in all Territories which have not yet attained independence and, in particular, to formulate specific proposals for the elimination of the remaining manifestations of colonialism, taking fully into account the relevant provisions of the programme of action for the full implementation of the Declaration".
4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on action taken previously by the Special Committee and the General Assembly, and on the latest developments concerning the Territory.
5. In addition, the Special Committee also had before it the following written petitions concerning French Somaliland:

(a) Undated letter from Mr. Ahmed Bourhan Omar, Secretary General of the Mouvement de Libération de Djibouti (A/AC.109/PET.1180);

(b) Letter dated 21 May 1971 from Mr. Aden Roble Awale, Secretary General of the Front de Libération de la Côte des Somalis (FLCS) (A/AC.109/PET.1181).

^{1/} Note by the Rapporteur: Terminology Bulletin No. 240 issued by the Secretariat on 15 April 1968 (ST/SC/SER.F/240) reads as follows:

"The new name of the Territory formerly known as French Somaliland is: French Territory of the Afars and the Issas....

"This designation, which is being introduced at the request of the administering Power, should be used in all documents with the exception of those records of texts in which the speaker or author has used a different terminology."

B. DECISION OF THE SPECIAL COMMITTEE

6. At its 828th meeting on 6 October, following a statement by the Chairman (A/AC.109/PV.828), the Special Committee decided, without objection, to transmit to the General Assembly the working paper referred to in paragraph 4 above in order to facilitate consideration of the item by the Fourth Committee and, subject to any directives that the General Assembly might give in that connexion, to give consideration to the item at its next session.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.731.

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

1. French Somaliland, now called the French Territory of the Afars and the Issas, a/ has been considered by the Special Committee and the General Assembly since 1966. The Special Committee's decisions concerning the Territory are set out in its reports to the General Assembly at its twenty-first to twenty-fifth sessions. b/ Action taken by the General Assembly prior to 1970 consisted of the adoption of resolutions 2228 (XXI) of 20 December 1966; 2356 (XXII) of 19 December 1967, and its decisions of 18 December 1968 and 16 December 1969. c/
2. On 29 October 1970, the Special Committee decided to transmit to the General Assembly the working paper prepared by the Secretariat in order to facilitate consideration of the item by the Fourth Committee and, subject to any directives which the General Assembly might give, to consider the item at its next session.
3. On 14 December 1970, the General Assembly decided to postpone consideration of the question of French Somaliland to its twenty-sixth session.

a/ For the new designation of the Territory, see Terminology Bulletin No. 240 (ST/CS/SER.F/240) issued by the Secretariat on 15 April 1968. See also Official Records of the General Assembly, Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. XV, annex, paras. 6 and 7, for details concerning the change of name.

b/ Official Records of the General Assembly, Twenty-first Session, Annexes, addendum to agenda item 23 (A/6300/Rev.1), chap. XII, para. 219; ibid., Twenty-second Session, Annexes, addendum to agenda item 23 (part III) (A/6700/Rev.1), chap. XII, paras. 128 and 259; ibid., Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. XV, para. 5; ibid., Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. XII, para. 6; ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XI, para. 6.

c/ Ibid., Twenty-third Session, Supplement No. 18 (A/7218), p. 66, item 23; ibid., Twenty-fourth Session, Supplement No. 30 (A/7630), p. 75, item 23.

B. INFORMATION ON THE TERRITORY^{d/}

1. GENERAL

4. Basic information on the Territory is contained in the report of the Special Committee to the General Assembly at its twenty-fifth session. Supplementary information on recent developments is set out below.

2. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

Constitution

5. The constitutional arrangements described in the previous working paper^{e/} remained unchanged during the year. Briefly, the Territory has a Chamber of Deputies consisting of 32 members elected by direct universal suffrage for a term of five years. There is a Government Council consisting of a President and eight ministers who are elected by and from among the deputies. Certain powers are entrusted to the Government Council and the fields of competence of the Chamber of Deputies are set out in the Constitution. France is represented by a High Commissioner who is assisted by a deputy. The High Commissioner promulgates the laws and decrees after informing the Government Council and subsequently ensures their execution. Decisions of the Chamber of Deputies and of the Government Council must be communicated to the High Commissioner before being published or implemented. The High Commissioner may request the French Minister in charge of Overseas Territories to annul acts of the territorial authorities. Matters not specifically listed as coming within the competence of the Chamber of Deputies or the Government Council come within the competence of the French State. These include external relations, control of immigration, defence, law and order and currency. The Territory is represented in the French Parliament and in the Economic and Social Council.

New elections

6. It was announced in January 1971 that, following complaints by a number of candidates concerning the conduct of the elections to the Territory's Chamber of Deputies, held in November 1968, the French Conseil d'Etat had decided to invalidate the election of three deputies in the Ali-Sabieh district and 11 in the Tadjourah-Obock district. At the same time, the Council rejected a complaint concerning the conduct of the voting in one section of the Djibouti electoral district. One of the deputies whose election was invalidated was Mr. Ali Aref Bourhan, the President of the Government Council.

^{d/} The information in this section is derived from published sources.

^{e/} Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XI, annex.

7. It was reported that the Council's decision was based on the fact that, in both districts, the handling of voting cards by local notables had not been properly controlled, which had resulted in an unusually large number of abstentions. In addition, a number of other irregularities had taken place in the Tadjourah-Obock district in respect of which the Council accepted evidence that "small gifts" had been handed out by some candidates.

8. Accordingly, new elections were held on 14 March in the two districts concerned. In the Tadjourah-Obock district, the President of the Government Council, Mr. Ali Aref Bourhan, who headed the Liste pour le Progrès et la Défense des Intérêts du T.F.A.I., received 12,555 of the 12,578 votes and was re-elected along with his ten colleagues. In the Ali-Sabieh district, the three outgoing deputies, standing on the Liste d'Union Démocratique Issa ticket, headed by Mr. Omar Farah, received 1,114 of the 2,567 votes and were also re-elected. The Liste d'Union pour l'Evolution et le Progrès du T.F.A.I., headed by Mr. Moussa Areh, and the Liste d'Association d'Assajog et de Pinindjog, headed by Mr. Mohamed Ali Chirdon, received 792 and 631 votes, respectively. It was reported that the elections took place in a quiet atmosphere.

Criticism of the political system in the Territory

9. On 23 June 1970, a deputy in the French Parliament addressed a question to the Government drawing its attention to the "peculiarities of the political situation" in the Territory and asking what measures it intended to take to "promote peaceful coexistence among those various ethnic groups which ought to be brought closer to one another rather than antagonized by an electoral system which does not reflect the actual composition of a population the number of which remains unknown for lack of an adequate census." The deputy also requested a debate on the question, which, to date, has not taken place in the French Parliament.

10. In its issue of 17 July 1970, Le Monde (Paris) reproduced excerpts from a "memorandum" which it claimed to have received from Mr. Hassan Gouled Aptidon, a former senator and former deputy to the French Parliament, and, at that time, a deputy to the Territorial Chamber where he was said to be regarded as one of the leaders of the opposition. In his memorandum, Mr. Aptidon drew attention to the problems connected with the presence of various ethnic groups in the Territory and with their political representation. He stated that, at the metropolitan level, the deputy representing the Territory was an Afar, as were the senator and the economic adviser. In the executive branch of the territorial administration, the President of the Government Council was an Afar, as was the Minister of Internal Affairs. Only the lesser ministries of labour, tourism and public service were headed by Issas. Only in rare instances were Issas recruited for public service work, whereas large numbers of Afars were recruited in all branches of administration; private companies were subjected to governmental pressure; and there were no longer any Somali longshoremen. Mr. Aptidon further stated that an exhaustive, exact census of the population was a necessity in the Territory, as this was the only way to establish meaningful electoral lists and to ascertain the demographic distribution of the various ethnic groups in the Territory, and, consequently, the proper representation of these groups in the Chamber of Deputies. Finally, he suggested that the voting procedure itself should be modified as the proportional system, which permits minority groups to be represented, was by far preferable to the present majority system.

Opposition deputy joins parliamentary majority

11. On 31 October, a deputy of the opposition party Union Populaire Africaine (UPA), Mr. Ali Elmi Yonis, informed the President of the Government Council and the High Commissioner of his intention to leave his party and join the parliamentary majority. In a letter addressed to a local newspaper, Mr. Yonis stressed that his decision had been motivated both by the progressive aspects of the Government's policy and by the sometimes negative attitude of the opposition party. His decision, the deputy added, had received the full approval of the traditional chiefs and younger members of his ethnic group.

Action concerning the Territory by the Organization of African Unity (OAU)

12. At its seventeenth ordinary session, held in Addis Ababa in June 1971, the Council of Ministers of OAU adopted a resolution (CM/Res.241 (XVII)) reaffirming moral and material support for the liberation movement in "the so-called French Somaliland (Djibouti)". The resolution invited the political leaders of the Territory to enter into contact with the French Government with a view to granting independence to the people of the Territory in a free and democratic atmosphere and in co-operation with OAU and the United Nations.

3. ECONOMIC CONDITIONS

Agriculture

13. As in previous years, date culture and market gardening remained the Territory's main agricultural activities during the period under review. In this connexion, the local Department of Agriculture was reported to have continued to provide local farmers with seeds, fruit trees, advisory services and financial assistance. During the year, 38 new gardens were organized, including the drilling of wells and the development of irrigation facilities. New efforts were also made by the Farmers' Co-operative which acquired 38 water pumps for its members, and encouraged them to increase their vegetable production for the Djibouti market.

14. During 1971, the Department of Agriculture plans to initiate agricultural activity in the Tadjourah and Obock cercles where the Gouda and Mabla mountains are known to have a relatively cool and humid climate and where water is available all year round.

Animal husbandry

15. Improved animal protection and disease control through the strengthening of the various local sanitary mobile teams are reported to be among the plans of the Service de l'Elevage (animal breeding service) for 1971. In addition, the Service intends to improve the quality of the herds by importing a number of selected animals to be used for breeding purposes, and to encourage the development of chicken farming throughout the Territory.

Industry

16. The local electric power company is reported to have increased its sales by 8 per cent over their 1969 level, and production, which averaged 9 million kwh. in 1960, was expected to exceed 40 million kwh. at the end of 1970. At the beginning of the year, the increased demand for electricity in Djibouti enabled the company to lower its rates for both industrial and home users while maintaining a satisfactory financial position. The company's 1971 budget is expected to exceed the previous budget by 18 per cent.

Trade

17. It will be recalled^{f/} that the effects of the closing of the Suez Canal were deeply felt throughout the Territory and that, more particularly, the port of Djibouti was reported to have lost some 75 per cent of its traffic by the end of 1968. The financial situation remained serious during 1970, although actual traffic during the first ten months of the year was said to have somewhat exceeded the estimated figures for that period. Thus, in terms of net tonnage, the 810 ships that were reported to have called at Djibouti between 1 January and 31 October 1970 represented a 25 per cent increase over the tonnage quoted for the same period during 1969. To a large extent, this increase was said to be accounted for by oil tankers calling at Djibouti on their way to or from the Ras-Shukeir oil field in the United Arab Republic, the number of which increased from 154 during the above-mentioned period in 1969 to 206 in 1970. Similarly, revenues derived from the sale of supplies to ships were reported to be almost 40 per cent higher than had been anticipated.

18. Improvement of port facilities during the year consisted in the addition of two 15-ton and 25-ton self-propelled cranes and the construction in France of a vedette de lamanage (pilot ship) for use at Djibouti. In addition, new loading and unloading facilities became operational during the year, enabling the port authorities to unload some 40,000 tons of merchandise consisting mainly of wheat in transit to Ethiopia.

19. In view of the current uncertainty regarding the reopening of the Suez Canal, traffic in the port of Djibouti is not expected to rise significantly above the 1970 level, and plans for 1971 reportedly provide for minimum investments in port equipment and facilities. Financial assistance to the port, which amounted to over 150 million Djibouti francs ^{g/} in 1969 and was reduced to about 50 million in 1970, will not exceed 25 million in 1971.

Tourism

20. In an effort to diversify the local economy by attracting visitors to the Territory, the recently established Office de développement du tourisme (Tourism Development Office) began a campaign aimed at improving the centre of Djibouti, cleaning local beaches, publishing brochures for travel agencies, and communicating with various foreign tourist organizations. In addition, the Administration was

^{f/} Ibid., para. 40,

^{g/} Fifty-five FD (Djibouti francs) equal approximately one French franc.

reportedly seeking a formula to prevent the high cost of living in the Territory from impeding the development of tourism. Air France is also said to be studying possible ways of lowering its fares to the Territory. A recently arrived Air France regional representative in the Territory stated in October 1970 that a possibility existed that fares might be lowered by as much as 50 per cent within the not too distant future, and that the company also intended to enable tourists sojourning in the Territory to travel to neighbouring countries. Finally, the new, direct, weekly Air France flight between Djibouti and Paris was reportedly being supplemented by a new Paris-Rome-Cairo-Djibouti-Addis Ababa regular flight as from 1 April 1971.

Scientific research

21. Following the signing of an agreement between the Administration and the University of Bordeaux on 6 July and 2 September 1970, a new Centre d'études géologiques et de développement (Geological Studies and Development Centre) was established in the Territory on 22 December 1970. The purpose of the Centre, the activities of which will be financed simultaneously by the University of Bordeaux and the Administration, is to improve present knowledge of the area in order to establish a twelve-sheet 1:100,000 scale geographical map of the Territory. In addition, the Centre is to establish a map of the Territory's underground water resources. In this connexion, it was announced in December 1970 that an eight-man consultant mission was scheduled to arrive in Djibouti in February 1971 to start working on the latter project.

4. SOCIAL CONDITIONS

Public health

22. During the period under review, the Administration reportedly concentrated its efforts on the prevention and treatment of tuberculosis and on protecting the Territory from the epidemic of cholera which developed in other parts of Africa and Asia. Tuberculosis continues to be a major source of concern in the Territory and affects one out of every eight inhabitants in Djibouti. The Centre de pneumophtisiologie Paul-Faure (Chest Disease Centre) was reportedly equipped with two new X-ray rooms which enabled the Centre to process over 30,000 out-patients and to detect 1,030 cases of tuberculosis during the year. In addition a mass BCG vaccination campaign throughout the Territory enabled some 24,000 children to receive the vaccine. New drugs were also introduced for the treatment of the disease, and the Administration hopes to develop new tuberculosis treatment centres in the hinterland so as to provide proper therapeutic care to the rural population.

23. Steps were reportedly taken during the latter part of the year to prevent cholera from entering the Territory from neighbouring Asian and African countries. In addition to strict sanitary control at the borders and prophylactic campaigns in the local press, cholera vaccination was made compulsory for the entire population and the transport and sale of kath and fresh fruit and vegetables from infected countries were provisionally forbidden throughout the Territory. Following the temporary shortage of these commodities and the resultant rise in prices in the Djibouti area, fresh fruit and vegetables had to be imported from non-infected European and African countries while local producers around Ambouli

and Douda were encouraged to increase their production for the Djibouti market. On 10 December 1970, however, the Administration informed the World Health Organization (WHO) that the Territory was free from cholera, and some of the restrictive measures were subsequently lifted.

24. Other developments in the field of public health include the establishment of a school medical service under the responsibility of a full-time physician at Djibouti; the improvement of the Ali-Sabrieh dispensary; the completion of new dispensaries at Dikhil and Dorra; and the completion of a surgery and X-ray complex at Tadjourah. In addition, new insecticides have been introduced in connexion with a malaria control programme in the Djibouti-Ambouli area and the Administration is reportedly planning to undertake a similar programme in the malarious area around Dikhil.

Labour

25. New regulations governing and improving the payment of family and workmen's compensation benefits were adopted in 1970. In this connexion, a total of 6,090 persons were reported to have received an estimated 67 million Djibouti francs in benefit payments from the Territory's Caisse de prestations sociales (Social Security Fund), including over 14 million francs paid to some 3,600 workers who were involved in accidents during the year. In addition, the local Inspection du travail et des lois sociales, which is now headed by an indigenous civil servant, is said to have taken part in negotiations which resulted in the signing of two new collective agreements, and to have settled amicably some 200 labour disputes during the first ten months of the year.

5. EDUCATIONAL CONDITIONS

26. In December 1970, it was reported that enrolment in the Territory's public primary schools had risen from 4,523 pupils (including 370 of European origin) for the 1969/70 school year, to 5,058 for the current school year. It was also reported that, despite the addition of 20 new primary schools, a large number of children had been unable to register in September 1970, including some 500 in Djibouti itself. This situation was said to reflect the ever-increasing number of girls now attending primary schools. Applications for places for girls had risen from 32 in 1950 to 1,125 in 1969 and could be expected to continue to increase in future years. In this connexion, the President of the Government Council, Mr. Ali Aref Bourhan, while on a ten-day visit to Paris in October 1970, was reported to have had talks with the French Minister of Education in an attempt to persuade the French Government to undertake the financing of public primary education in the Territory. Upon returning to Djibouti on 16 October, Mr. Bourhan reported that his talks had produced positive results and that he was hopeful the French Government would take such a step for the 1971/72 school year.

27. In religious institutions, enrolment for the year 1970/71 was reported to have been maintained at the same level as in 1969/70, namely, 3,200 pupils. According to the Bishop of Djibouti, private educational institutions in the Territory operated on the premise that it was more important to ensure a high level of education than to enrol a larger number of students whom they would be unable to educate properly. Private institutions, however, were said to be

creating a number of centres and workshops in the hinterland, where children between the ages of 12 and 18 who had not had any prior schooling were being given an opportunity to receive some form of basic education and learn a trade.

28. As regards public secondary education, the Djibouti lycée and Collège d'enseignement technique (technical high school) were reported to have enrolled 1,021 students for the current school year, as against 897 during the previous year, and to have a faculty of 57 teachers, as against 48 in 1969. Eight new classrooms were reported to have been added to the lycée and a new workshop was added to the technical high school. In addition, the French Secrétariat d'Etat à la Jeunesse et aux Sports was reported to have agreed to the financing of a new gymnasium and several playgrounds to be used by the students of both schools.

CHAPTER XIII
(A/8423/Add.5 (Part III))

OMAN

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CHAPTER XIII

OMÁN

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. The Special Committee considered the question of Oman at its 827th meeting, on 17 September 1971.
2. In its consideration of the item, the Special Committee took into account the relevant provisions of the programme of action contained in General Assembly resolution 2621 (XXV) of 12 October 1970, as well as those of resolution 2708 (XXV) of 14 December 1970 concerning the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. The Special Committee also took into account the provisions of resolution 2702 (XXV) of 14 December 1970 concerning the question of Oman, by paragraph 6 of which the Assembly requested the Special Committee "to follow closely developments regarding the colonial situation in the Territory and to report thereon to the General Assembly at its twenty-sixth session".
3. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on action previously taken by the Special Committee as well as by the General Assembly, and on the latest developments concerning the Territory.
4. The Special Committee also had before it three written petitions dated 11 December 1970 and 6 and 10 June 1971 respectively from the Imam of Oman, Ghalib bin Ali (A/AC.109/PET.1163 and Add.1).
5. At the 827th meeting, on 17 September, the Chairman, in a statement to the Special Committee (A/AC.109/PV.827), submitted for consideration the text of a draft consensus on the item (see paragraph 7 below).
6. At the same meeting, following a statement by the representative of Iran (A/AC.109/PV.827), the Special Committee adopted without objection the draft consensus concerning the item.

B. DECISION OF THE SPECIAL COMMITTEE

7. The text of the consensus adopted by the Special Committee at its 827th meeting, on 17 September, to which reference is made in paragraph 6 above, is reproduced below:

The Special Committee, having followed recent developments concerning Oman and having noted that the Security Council has under consideration the application of the Sultanate of Oman for membership in the United Nations (S/10216), decides to suspend consideration of the question of Oman pending such action as the General Assembly might wish to take in this connexion at its twenty-sixth session.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Paragraphs 1-28 of this annex were previously issued under the symbol A/AC.109/L.738.

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

1. The question of Oman has been considered by the General Assembly since 1960 and by the Special Committee since 1966. In June 1963, a Special Representative of the Secretary-General, Mr. Herbert de Ribbing, visited the Territory at the invitation of the Sultan of Muscat and Oman and submitted a report which was made available to the General Assembly at its eighteenth session. a/ By resolution 1948 (XVIII) of 11 December 1963, the General Assembly established an Ad Hoc Committee which examined the question and submitted a report on 8 January 1965. b/ On 17 December 1965, the General Assembly adopted resolution 2073 (XX) in which it recognized the inalienable right of the people of the Territory as a whole c/ to self-determination and independence, called upon the Government of the United Kingdom of Great Britain and Northern Ireland to implement a number of measures and invited the Special Committee to examine the situation in the Territory.

2. The Special Committee's consideration of the question of Oman is set out in its reports to the General Assembly at its twenty-first to twenty-fifth sessions. d/ The General Assembly's decisions concerning this question are contained in resolutions 1948 (XVIII) of 11 December 1963, 2073 (XX) of 17 December 1965, 2238 (XXI) of 20 December 1966, 2302 (XXII) of 12 December 1967, 2424 (XXIII) of 18 December 1968, 2559 (XXIV) of 12 December 1969 and 2702 (XXV) of 14 December 1970.

3. In April 1968, the Special Committee established a Sub-Committee on Oman, composed of Iran, Iraq, Mali, the United Republic of Tanzania and Venezuela. e/

a/ Official Records of the General Assembly, Eighteenth Session, Annexes, agenda item 78, document A/5562.

b/ Ibid., Nineteenth Session, Annexes, annex No. 16 (A/5846).

c/ In reply to a question as to the meaning of the expression "the Territory as a whole", it was stated on behalf of the co-sponsors of the draft resolution that the Territory of Oman should comprise the whole geographical area, and should include the Trucial Sheikdoms as well as the Sultanate of Muscat and Oman (see Ibid., Twenty-first Session, Annexes, addendum to agenda item 23 (A/6300/Rev.1), chap. XIII, paras. 6 and 7).

d/ Ibid., chap. XIII; ibid., Twenty-second Session, Annexes, addendum to agenda item 23 (part III) (A/6700/Rev.1), chap. XIII; ibid., Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. XVII; ibid., Twenty-fourth Session, Supplement No. 23, (A/7623/Rev.1), chap. XIV; ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIII.

e/ Ibid., Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. I, paras. 82-84.

The Sub-Committee was maintained by the Special Committee during 1970, and the question of Oman was referred to it for consideration and report. At the 775th meeting on 29 October 1970, the Chairman of the Special Committee made the following statement: f/

"It will be recalled that, by adopting the forty-seventh report of the Working Group at its 737th meeting, on 13 April 1970, the Special Committee decided to maintain the Sub-Committee on Oman and to refer the question of Oman to that Sub-Committee for its consideration and report. Subsequently, the members of the Sub-Committee on Oman, taking into account current developments concerning that Territory, have been in active consultation with a view to discharging the mandate entrusted to that Sub-Committee by the Special Committee. These consultations are continuing.

"In the meantime, taking into consideration the desire of the Special Committee to make its report available to the General Assembly without delay, the members of the Sub-Committee have agreed to recommend that the Special Committee decide to transmit to the General Assembly the working paper prepared by the Secretariat concerning the Territory in order to facilitate consideration of the item by the Fourth Committee, and, subject to any directives which the General Assembly might give in that connexion, to give consideration to the item at its next session."

4. The Special Committee approved the above recommendation at the same meeting.
5. On 14 December 1970, the General Assembly adopted resolution 2702 (XXV), the operative paragraphs of which read as follows:

"The General Assembly,

...

"1. Reaffirms its resolutions 2238 (XXI) of 20 December 1966, 2302 (XXII) of 12 December 1967, 2424 (XXIII) of 18 December 1968 and 2559 (XXIV) of 12 December 1969;

"2. Reaffirms the inalienable right of the people of Oman to self-determination and to the natural resources of their Territory, as well as their right to dispose of those resources in their best interests;

"3. Urges the Government of the United Kingdom of Great Britain and Northern Ireland to implement fully General Assembly resolution 1514 (XV) and other relevant resolutions;

"4. Recommends that the specialized agencies and international institutions concerned should study, within the scope of their activities and in co-operation with the regional organization concerned and through it, the possibilities of extending assistance to meet the educational, technical and health requirements of the people of the Territory;

f/ Ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIII, annex II.

"5. Requests the Secretary-General to intensify, in consultation with the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, the wide dissemination of information about conditions in the Territory;

"6. Requests the Special Committee to follow closely developments regarding the colonial situation in the Territory and to report thereon to the General Assembly at its twenty-sixth session."

B. INFORMATION ON THE TERRITORY^{g/}

1. SULTANATE OF MUSCAT AND OMAN^{h/}

General

6. The Sultanate of Muscat and Oman lies at the extreme south-east of the Arabian peninsula, east of the Rub-al-Khali desert. It has a total area of about 82,000 square miles and an estimated population of more than 750,000.

Political and military developments

7. As previously reported, Sultan Qabus bin Said overthrew his father, Said bin Taimur, in a palace coup on 23 July 1970, thus ending a thirty-eight year reign. The new Sultan, who is 30 years old and the fourteenth ruler of the al Bu Said dynasty, has made his formerly exiled uncle, Tarik bin Taimur, Prime Minister and Minister for Foreign Affairs. The advisory council is under his personal supervision. The seat of the Government has returned to Muscat.

8. Reconciliation between the Imam of Oman, Ghalib bin Ali, who has lived in exile in Saudi Arabia since 1955, and the new Sultan may be effected through the offices of the Secretary-General of the Arab League. It is reported that a settlement between the Sultan and the Imam is essential if Oman is to win the recognition it is seeking from other Arab countries. The Imam is considered the politico-spiritual leader of the province of Oman, one of three provinces in the country: Muscat, Oman and Dhofar.

9. The Sultanate of Oman has applied for membership in the Arab League and the United Nations. i/ The application to join the Arab League will be taken up at the next meeting of that organization on 11 September 1971. The Security Council Committee on the Admission of New Members to the United Nations has deferred its examination of the Omani application. j/

10. In January 1968, the United Kingdom Government decided to withdraw its forces from the area by the end of 1971. When the Conservative Government came to office in June 1970, it continued to advocate this policy but it strongly supported a project for a union or federation between certain of the Arab emirates. In press interviews, the Prime Minister of Oman has said that he was interested in the establishment of such a federation, but that it was premature for the Sultanate to join it. For the present, the Sultanate needed to devote its attention to internal affairs. He is quoted as having explained, "We find ourselves in the position of needing every penny. We just don't have administrators or money to spare...".

g/ This information has been derived from published sources. It supplements other information contained in previous reports of the Special Committee. (See foot-note d/ above.)

h/ The new ruler has shortened the name to the Sultanate of Oman.

i/ S/10216.

j/ S/10294, para. 2.

11. The new Prime Minister also reportedly favoured neutrality in foreign affairs, although he advocated maintaining British officers and influence in the Army. He called for conscription and an expanded role for the Army.

12. The first steps towards a constitutional government were taken with the appointment of several Cabinet ministers, two of whom, the Ministers for Defence and for Development are, however, British. The Prime Minister has said in press interviews that he is responsible also for information, public health, education, the economy and social affairs, while the Sultan has kept for himself defence, the interior, finance and oil.

Security

13. The Sultan's Armed Forces (SAF), at present under the command of British Brigadier General John Graham, consist of one artillery battery and three infantry battalions, with about 100 British officers and an air force of twelve aircraft, whose officers are all British. According to reports, BAC 167 strike fighter jets are expected to be flown by ex-RAF pilots under contract. It is estimated that there are 180 British officers in the country including the British Royal Air Force. General Graham is reportedly responsible to Mr. Oldman, the Minister of Defence.

14. The so-called Dhofari war now reportedly consumes £55 million more than half of Oman's annual oil revenue and is the biggest single obstacle to the efforts of the new Sultan to modernize the country. Since the deposition of the former Sultan, the Government has been mobilizing its forces, that is, manoeuvring 1,500 to 2,000 men in the mountainous areas of Dhofar province with the aim of making a decisive move against the guerillas led by the Popular Front for the Liberation of the Occupied Arab Gulf (PFLOAG). The guerillas are reported to control a population of 35,000.

15. The war began in 1963 and in 1965 the Dhofar Liberation Front was formed to pursue it. In 1968, the Front changed its name to PFLOAG to obtain wider backing. The guerillas number up to about 800 supported by a local militia of perhaps 1,000 and are led by Arabs of the Popular Democratic Front, now headed by Mohammed Ahmad Ghussani, born in Salalah over thirty years ago and trained in China. The terrain and climate are said to favour the guerillas, who are reportedly receiving moral and propaganda aid from the newly formed Gulf Committee which supposedly supports all "liberation" movements in the area.

16. Following the deposition of the former Sultan in 1970, there was a lull in the fighting as the Omani Government held out its amnesty to the Jebel (mountain) tribesmen. This policy brought over some 250 firqahs, or irregulars, to fight on the SAF's side. At the same time, a coastal strip was "liberated" up to the town of Sudh, 60 kilometres from Salalah. The Government also controls the broad plain round Salalah and its aim is to develop these regions so that the nomadic mountain tribes will settle there. More than £6 million is being spent to this end.

Other developments

Oil

17. The Petroleum Development (Oman) Ltd. (PDO) is the country's major source of revenue. Headquarters of the PDO is at Mina-El-Fahal. It is also the second largest employer in the country and this year it is expected to contribute £50 to £53 million to the Sultan's Government. This is 50 times more than all other taxes collected by the authorities. Reportedly the PDO played an important role in the downfall of Sultan Said bin Taimur; he is said to have hindered its development by adamantly refusing to create a modern administration, to invest in public works or to encourage his subjects to work in the oil fields.

18. Dr. Wendell Phillips has obtained from the Sultan of Oman an exceptionally large maritime concession covering more than 700 km. (437.5 miles) of coast from Ras-al-Had to Ras-Minji on the Dhofari border. The concession is from 50 to 120 km. (31.25 to 75 miles) wide. In 1965, Dr. Phillips received another concession in Oman, which he passed on to an Anglo-German consortium, Wintershall of Kassel, Federal Republic of Germany, and the Anglo Dutch Shell of Oman.

19. The proved oil reserves are now estimated at over 680 million tons. Oman is not an "oil-rich" State in the sense of some of the others in the area. In 1970, production, which had been 17 million tons in 1969, actually dropped because of declining oil pressures to just over 16 million tons. The opening of a new field in 1971 will enable PDO to maintain production only at the 1970 level. The new field was brought into production rather more rapidly than usual so that output could be maintained. Its reserves therefore have not yet been fully assessed.

Public finance

20. It is reported that £27 million was made available for development during 1971. During 1970, the Sultanate received a grant of £28,000 from the United Kingdom Government as a contribution towards costs of consultants in connexion with a proposed new harbour and towards running costs of the Muscat Charitable Hospital.

21. It has been decided to create a new currency to replace the Indian rupee and measures to this effect are reportedly in preparation.

Development

22. In August 1971 it was reported that Mothercat, a British registered, Beirut-based construction company, had completed the 50-room Al-Falaj hotel in Muscat, capital of the Sultanate at a cost of £540,000. Design was started in October 1970; construction was carried out in eight months and the hotel is now in use. Other building work being carried out by the company in Muscat during the year included a clinic and 47 houses and flats for the Ministry of Health, at a cost of £560,000.

23. It was reported in March 1971 that cholera had broken out in Oman and had resulted in the temporary closing of the border with some of the Trucial Sheikhdoms, to prevent the spread of infection.

24. The Sultanate's application for membership in the World Health Organization (WHO) was approved by that body on 13 May 1971 and Oman became the 130th full member of WHO on 28 May 1971.

25. When the former Sultan was overthrown in 1970, there was one hospital in the Territory. Since the coup, medical assistance has been made free and nine new hospitals are under construction, to be completed in two years' time.

26. The Sultan has approved contracts for 242 additional miles of paved road to strengthen the infrastructure of the country. Muscat's harbour is being deepened and docks built to handle large ships.

27. At the time of the coup there were two schools, one in Muscat and the other at Matrah. Primary school enrolment was between 800 and 900. There are now 12 primary schools open with an enrolment of 7,000, including a new girls' school in Muscat, where 1,200 attend in two shifts. Twenty additional elementary schools are planned. There are about 220 teachers in the country, at present mostly former Omani émigrés. Included in this number are 15 Palestinian teachers.

28. A weekly newspaper is to be published but will be printed in Beirut because there is no printing press in Oman. In addition, a radio station has been opened in Muscat and Galala.

2. TRUCIAL SHEIKHDOMS

General

29. The Trucial Sheikhdoms lie north of the Rub-al-Khali desert between the Kingdom of Saudi Arabia and the Sultanate of Oman. Six of the States lie between Khor al Omdid and Sha'am and are, from west to east: Abu Dhabi, Dubia, Sharjah, Ajman, Umm al Qaiwain and Ras-al-Khaimah. The seventh State, Fujairah, and three enclaves belonging to Sharjah - Kalba, Khor Fakkan and Dibbah - lie on the Gulf of Oman, the north-western part of the Indian Ocean.

30. The area is known geographically as Trucial Oman, a name invented, according to a former political agent, Mr. Donald F. Hawley, k/ by Captain F.B. Prideaux, Political Agent in Bahrain, early in the twentieth century. The name is intended to describe the geographical and historical connexion with the Sultanate of Oman and yet emphasize the area's separate physical, social and political identity.

k/ D. Hawley, The Trucial States, George Allen and Unwin Ltd.
London, 1970, p. 339.

A strip of Trucial Oman territory, about 50 miles wide, completely separates the northern tip of the Musandam peninsula (Ru'us al Jibal), which belongs to the Sultanate, from Oman proper.

31. The total area is approximately 30,000 to 32,000 square miles, of which the greatest part, 26,000 square miles, is in Abu Dhabi. The total population, based on a 1968 census, is about 180,000, of which about one third live in the coastal town of Dubai.

32. The classical Arabic division between the settled population, the Hadhr, and the nomads, the Bedu, is found here, with the Hadhr inhabiting both the coastal towns and the garden areas in and adjoining the eastern massif, and the Bedu inhabiting the remaining desert parts.

33. The boundaries of the Trucial Coast have not been clearly demarcated and in several places have been the subject of disputes with neighbouring countries. Three of the more important are: (a) the Iranian claim to three of the islands lying some 50 miles off the Trucial Coast - Abu Musa, Tunb and Nabiyyu Tunb; (b) the longstanding Saudi Arabian claim to the Buraimi Oasis; and (c) the Saudi Arabian claim to a part of Abu Dhabi.

34. There are many low-lying islands in the shallow sea to the north of the western part of the Trucial Coast. Nearly all the islands lying between Qatar and Musandam Peninsulas south of latitude 26° have been regarded as belonging to Abu Dhabi. Among the notable exceptions are Abu Musa, which the United Kingdom has long recognized as belonging to Sharjah and Tunb, and Nabiyyu Tunb, which it has recognized as belonging to Ras-al-Khaimah since the ruler became independent of Sharjah in 1921. There are about 600 inhabitants on these islands who derive their livelihood from fishing. Abu Musa and the two Tunbs are strategically located near the Straits of Hormuz and are considered to control the freedom of shipping in that passage. The Iranian Government has reportedly told both the United Kingdom and the Trucial States that it would actively oppose any federation that includes Sharjah and Ras-al-Khaimah until these two States have handed over the three islands to which Iran lays claims.

35. Saudi Arabia's claims have received less attention since it became known in 1970 that King Feisal had tabled a new set of demands. Reports at that time did not give a clear indication of their extent. But an ultimatum was issued that brought to a halt the development of a supposedly promising oil field in the sand hills bordering the Empty Quarter, to the north of the "Riyadh Line" which the United Kingdom had recognized as the de facto border since 1935 and which it reaffirmed as such in 1955 following the breakdown of arbitration over the Buraimi Oasis. The new claims were made at the beginning of May 1970, when Sheikh Zaid of Abu Dhabi visited Riyadh at his own initiative to discuss other matters with King Feisal.

Political and constitutional developments

36. On 1 March 1971 the Secretary of State for Foreign and Commonwealth Affairs, Sir Alec Douglas Home, stated, in the House of Commons:

"... The Gulf is an area of outstanding strategic importance, not only to this country but also to Europe and the rest of the world. In January 1968, the former Government announced their intention to terminate the treaties with Bahrain, Qatar and the seven Trucial States by the end of 1971 and to withdraw British forces from the region. These decisions... brought to the surface tensions which had hitherto lain dormant and led a number of countries which had previously accepted the British presence in the area to declare opposition to its continuance.

"In these circumstances, Her Majesty's Government have given very careful consideration to the future relationship between Britain and the Gulf States. In accordance with their undertakings given before the General Election, they have held consultations with the Rulers to consider how best Britain could contribute in the future to the stability of the area.

"Hon. Members are aware that the Rulers of Bahrain, Qatar and the seven Trucial States are continuing discussions among themselves about how an acceptable Union of Arab Emirates can be formed. The Saudi Arabian and Kuwaiti Governments are also involved in these negotiations. ...

"Her Majesty's Government strongly support the development of a Union of Arab Emirates. The Rulers have recently been told what Her Majesty's Government are prepared to offer to a Union in the way of continuing links and assistance.

"First, we are prepared to offer a Treaty of Friendship containing an undertaking to consult together in time of need.

"Secondly, Her Majesty's Government are willing to hand over the Trucial Oman Scouts... to form a nucleus of a Union Army. We are prepared to make available British officers and other personnel on loan to the Union's forces and to assist in the supply of equipment. The Union itself would naturally assume full financial responsibility for its own forces.

"Thirdly, if the Union wishes, elements of British forces, including training teams to assist with the training of Union security forces, could be stationed there on a continuing basis to act in a liaison and training role.

"Fourthly, training exercises involving British Army and Air Force units could take place regularly.

"Fifthly, there would be regular visits to the area by ships of the Royal Navy.

"Provisions would be made for the review of these arrangements where relevant.

"On their side, Her Majesty's Government would expect the Government of the Union to continue to permit the overflying and staging of British military aircraft through Union territory on the lines of the present arrangements.

"In addition, Her Majesty's Government are ready to consider ways of assisting local police forces if so requested. We are also prepared to help the Union in development and other appropriate fields.

"The Rulers have been told that the Treaty of Friendship and these proposals would replace the existing Treaties between the United Kingdom and Bahrain, Qatar and the seven Trucial States. These Treaties, which are the present basis of the protected status of these nine States and of Her Majesty's Government's right to conduct their international relations, will cease by the end of 1971.

"I believe, Mr. Speaker, that arrangements of this kind will form a sound basis for a continuing and effective British contribution to the stability of the area, and a new and up-to-date relationship between Britain and the States concerned.

37. Thus, the United Kingdom Government planned to withdraw its operative forces by the end of 1971, but implementation of the policy, it appeared, could be delayed if the embryonic Union failed to develop into a plausible political federation during the year. In answer to a question from Mr. Duncan Sandys, a former Colonial Secretary, the Secretary of State said that if the Union had not been formed by the end of the year he would "come back to the House".

38. It will be recalled that in August 1970, the Foreign Secretary appointed Sir William Luce, a former British Resident in the area and a former Governor of Aden, as his special envoy to advise him on the United Kingdom's future role in the area. Sir William made a number of visits to the rulers as well as to neighbouring Governments in order to bring about the Union of Arab Emirates, including the Trucial Sheikhdoms, Bahrain and Qatar.

39. The United Kingdom Government also supported the unsuccessful diplomatic effort of the joint Kuwaiti-Saudi Arabian mission to the emirates which reportedly only served to accentuate the disunity. The Kuwaiti-Saudi mission which set out in February 1971, proposed a five point agreement: representation in a federal parliament on a proportional basis; (b) the merger of defence forces; (c) financing the Union on the basis of per capita income; (d) placing the over-all development programme in the hands of a federal council; and (e) uniform custom duties and tariffs.

40. By early summer 1971, hopes for uniting all nine Arab emirates (the Trucial Sheikhdoms, Bahrain and Qatar) began to fade. The major points of difference between the States centred on representation in a federal assembly, the site of the federal capital, voting procedures in the rulers' supreme council and budget contributions. According to reports, these problems were viewed by informed observers as symptomatic of more extensive disputes over influence among the larger States.

41. Bahrain and Qatar eventually opted for separate independence and have now become full members in both the Arab League and the United Nations.

42. On 18 July 1971, six of the Trucial States announced agreement on a federal constitution to join their emirates into a political union before the military withdrawal of the United Kingdom by the end of 1971. The announcement was made

at the end of week-long discussions. The Constitution adopted was an amended version of the draft on which representatives of all nine had failed to reach agreement in October 1970. On 6 September, it was reported that the seventh Trucial Sheikdom, Ras-al-Khaimah, had decided to join the projected federation.

43. At the same time, it was also announced that King Hussein of Jordan would visit the Sheikdoms and Iran in an attempt to mediate the dispute over the islands of Abu Musa, Tunb and Nabiyu Tunb, referred to in paragraphs 33-34 above. It is reported that a proposal now under consideration would give Iran the Tunbs and leave Abu Musa in Arab hands.

44. Under the Constitution, Abu Dhabi and Dubai would each have eight seats in a consultative legislature; Sharjah would have six; and the remaining three emirates, would have four seats apiece. The distribution of seats to Ras-al-Khaimah is not available. There would be a federal cabinet and a Prime Minister. It was also reported that 10 per cent of the revenue received from oil (notably from Abu Dhabi and Dubai) would be used to finance the federation's budget. A committee was to meet to draw up and adopt legislation necessary for the establishment of executive organs of the federation.

45. The federation agreement appeared to indicate that the rulers have formally recognized that the proximity of their States, their inter-dependence and the smallness of their populations obliged them to co-operate on a number of matters. Those most commonly referred to are roads and communications, social services, foreign policy and defence. Some consider that what is likely to emerge is a loose grouping of States, based possibly on an institution such as the Trucial States Development Council which co-ordinates projects for the area.

46. It is reported that the Federation has sent out several delegations from Abu Dhabi to neighbouring States to explain the stages through which the Federation has passed so far.

Abu Dhabi

47. On 1 July 1971, Sheikh Zaid bin Sultan al Nahyan, the Ruler of Abu Dhabi, issued a decree forming a Cabinet. According to the decree, the Crown Prince, Sheikh Khalifa bin Zaid, was appointed Prime Minister and will also hold the portfolios of defence and finance. The Cabinet is composed of 15 ministers. Two bills were issued immediately: the first concerned the review of government marketing and the second, the setting up of a National Consultative Council, composed of not more than 50 members, to serve for a period of three years. Sheikh Zaid issued a statement saying that the provisions of these bills would be amended so as to make them compatible with the provisions of the Constitution of the Arab Emirates Federation.

48. The Cabinet is invested with the authority to outline policies in regard to political, social and economic affairs. It approves laws and regulations and submits them to the ruler for ratification.

49. The ministers are responsible directly to the ruler who has the right to appoint and dismiss the Prime Minister. Subject also to the Cabinet's approval are annual budgets, economic plans and supervision of the implementation of international treaties.

50. The legislature which was appointed by Sheikh Zaid on 1 September 1971 has been invested with the authority to study all laws submitted by the Cabinet prior to its preparing recommendations for ratification by the ruler. It would also be informed of all international treaties and obligations entered into with other States, debate all matters of public interest before responsible ministers and submit its reports either to the Cabinet or to the ruler. The National Consultative Council is to have an eight-month session commencing in October of each year. Its session and recess will be decreed by the ruler, who can postpone or dissolve the Council if he so wishes. Dissolution of the Council, however, must be coupled with a summons for a new Council to meet within sixty days.

Military developments

51. In June 1971, it was announced that the two remaining companies of the Staffordshire Regiment stationed in Bahrain would leave for their base in the Emirate of Sharjah.

52. Subsequently, in July, it was reported that the Union of Arab Emirates had agreed on the establishment of a federal army. The 1,700-strong British-officered Trucial Oman Scouts would be the nucleus of this army and the Scouts would be strengthened as required. Under the federal constitution individual States would retain their own defence forces, but these would be at the disposal of the federal army if such a need arose. The British offer of military aid was to have been the subject of discussions between government officials from Abu Dhabi and Dubai and those of the United Kingdom in July.

53. In a letter to The Times (London) dated 14 August 1971, the Commander of the Ras-al-Khaimah Mobile Force stated that the strength of his army was 250.

54. On 4 August, in the House of Commons, it was stated for the Foreign Secretary that Her Majesty's Government proposed that land and fixed assets no longer required by Her Majesty's Government and then held for defence and civil aviation purposes in Bahrain and Sharjah, together with certain associated movable assets, should be transferred without charge to the appropriate Governments. Proposals to this effect, together with a number of related financial matters, had been put to the Governments concerned.

55. At mid-1971, it was reported that the British military withdrawal was proceeding steadily and troop levels were already down by some 25 per cent, to less than 4,000.

Economic conditions

56. The pattern of development has been complicated not only by the number and diversity of the Trucial States but also by the different sources from which funds have come. The richer States, Abu Dhabi and Dubai, have increasingly used their

own resources. The United Kingdom from 1955 onwards has contributed to the Trucial States Development Fund under successive five-year schemes. In April 1971, it was stated in the House of Commons that, in 1970, the Trucial States had received £200,000 from the United Kingdom in the form of bilateral grants and £10,000 from an outside aid programme.

57. In 1970, it was reported that Dubai had imported 250 tons of gold, or nearly 18 per cent of the total 1969 production in the western world. It was usually imported from London, Zurich or Paris by air at a rate of between \$US 70 and \$US 80 an ounce in the form of tolas. 1/ Slim, well-maintained dhows with powerful diesel engines below decks have then ferried it across some 1,200 miles of the Arabian Sea to India, where the importing of gold is illegal. There the smuggled gold commands a substantial mark-up.

58. Dealers are reportedly reticent about their operations, but by some estimates a dhow that makes three successful trips a year can turn a 100 per cent profit. Only one cargo in eight is said to be intercepted.

59. For the first time in several years, the United Kingdom was the leading supplier of goods to Dubai. Imports from the United Kingdom have steadily climbed from £3.2 million in 1966 to £16.7 million in 1970. United Kingdom shipments of arms and ammunition, electrical goods and building materials have all increased.

60. As a further stage in Sheikh Rashid's plan for developing the coastal area of Dubai, the Ruler has signed a \$5.1 million contract with Costain Civil Engineering for a land reclamation scheme involving the creation of some 130 hectares for development purposes. Beside the provision of extra useful land near the centre of Dubai-town, the work would also help combat coastal erosion. The reclamation project which involves the construction of a 13,000 feet long seawall is on the opposite shore to the Port Rashid deep-water harbour currently under construction by the company. The work is to take two years.

61. Plans are going ahead in Abu Dhabi for launching four major industrial products:

(a) The first is a cement factory with a producing capacity of 200,000 tons to be constructed in Al Ain (Buraiimi) near the mountain of Hafeeth. Holdenbank of Switzerland has been appointed as consultant for the project which is to cost Bahrain BD 5 million. m/ The project is expected to be run by the Government with participation from the private sector.

(b) The second project involves the construction of a sulphur recovery plant and a sulphuric acid unit, both to supply the desalination plant in Abu Dhabi and for export purposes. The British consultants, Humphreys and Glasgow, were commissioned to submit a feasibility report which is expected to be completed by the end of 1971.

1/ The tola is an Indian form of measure equivalent to 7 grammes (3-3/4 ounces).

m/ 1 Bahrain dinar (BD) equals \$US 1.90.

(c) The third project involves the construction of a petro-chemical plant, estimated to cost BD 6 million, which would be run as a joint venture between the Government, Compadec, a French company, and Power Gas, a British company.

(d) Finally, Al Ghuwair, a contracting firm in Dubai, was asked to negotiate with Gibb Ewebank, a British company, for a feasibility study on the construction of a major aluminium plant.

62. The State of Ajman is the smallest of the Trucial States. According to the 1968 census, its population was 4,200. It has no resources apart from the sea and the gardens at Manama and Masfut. According to a recent press report, Sheikh Rashid bin Humaid stated that the population is now 12,000, including 3,000 fishermen. Through the sales of fish (hamour) and fish nets around the area, Ajman is profiting indirectly from the area's expanding wealth. The Sheikh also stated that the State had more fishing boats - 150 by his count - than the other neighbouring Arab States. Sales of fish traps increased by 20 per cent over 1970.

63. Of the Trucial States only Abu Dhabi has large amounts of oil on stream at the moment but Dubai is now joining it and all the other sheikhdoms have granted concessions for onshore and off-shore explorations.

Oil

64. Mr. Hawley in his book on the Trucial States n/ states that the "very first hole drilled by Abu Dhabi Marine Areas, Ltd. (1958) proved fruitful, a rare occurrence in the history of oil exploration. Four years later, in June 1962, the first cargo of crude oil was exported from Das Island. Meanwhile, exploration has continued on land in the concession area held by the Abu Dhabi Petroleum Company, Ltd. - an associate of the Iraq Petroleum Co. By December 1963, it in its turn had exported its first oil. These two oil discoveries dramatically changed the fortunes of Abu Dhabi and the neighbouring Trucial States".

65. Abu Dhabi is the wealthiest of the Trucial States and under the least pressure to devise ways of diversifying its economy. Its oil revenue of £78 million in 1969 represented 98 per cent of government revenue. Production was increased to 700,000 barrels per day in less than ten years. It is reported that the petroleum revenues of Abu Dhabi will pass from £95 million in 1970 to £135 million in 1971 because of the Teheran Agreement described below. This increase will be the result of a 15 per cent rise in petroleum exports in addition to a 19 per cent increase on the posted price which goes from \$US 1.88 to \$US 2.23. It had increased from 17 million tons to 28 million between 1966 and 1969. In 1970, 23.8 million tons of oil were exported, representing an increase of 15.8 per cent over 1969 exports.

66. Abu Dhabi Petroleum represents an investment divided as follows: Compagnie française des Pétroles (23-3/4 per cent), Royal Dutch Shell (23-3/4 per cent), Standard Oil of New Jersey (11-7/8 per cent), Mobil (11-7/8 per cent) and

n/ Hawley, op.cit., p. 209.

Participation and Exploration Corporation, a subsidiary of Gulbenkian in Paris (5 per cent). Abu Dhabi Marine Areas, Ltd. is owned by British Petroleum and Royal Dutch Shell (two thirds) and Compagnie française des Pétroles (one third). Other foreign oil companies in Abu Dhabi include Phillips Petroleum, R.J. Reynolds Industries and Italy's state-owned oil agency, as well as the Japanese owned Abu Dhabi Oil Company (ADOCO). The latter plans to start production from its off-shore Mubarratz field by the end of 1972. The output should eventually reach 200,000 barrels daily (a rate of 10 million tons a year). This would make ADOCO, which is owned by Maruzen, Daikyo and Nippon Mining, the second largest Japanese overseas oil company. The seventh well out of the thirty to thirty-five planned is about to be drilled. In November 1971, work is to start on an off-shore production platform. Altogether, investment facilities are estimated at \$US 50 million to \$US 60 million.

67. A Japanese parliamentary delegation visited Abu Dhabi recently in connexion with a Japanese plan to bring together all the Japanese overseas oil operations under one holding company. The purpose is apparently to secure petroleum resources on a stronger financial basis and to challenge the major Western companies' predominance. It is understood that the initiative came from Japanese banks, particularly the Mitsubishi Bank and the Industrial Bank of Japan which have an important interest in current oil explorations. Japan is one of the chief reasons for the surge in production of the onshore field of the Abu Dhabi Petroleum Company (see above).

68. In April 1971, it was reported that Syracuse Oils had announced that an Ocean Oil Corporation operator for the Abu Dhabi joint venture had signed a contract to drill a 12,000 foot exploratory well on a concession located off the coast. The concession is owned 60 per cent by Pan Ocean and 20 per cent each by Syracuse Oils and Wington Enterprises. The drilling was to begin in May.

69. The Fateh (Good Fortune) Field, located 50 miles off shore started Dubai oil production in September 1969 and yields 5 million tons a year - a revenue of £12 million. Another strike in Dubai's territorial waters at the end of 1970 was made only six miles from this field. Continental Oil is the operating company in Dubai, although there are three others present: Dubai Marine Areas, which is a joint subsidy of CFP and Spanish Hispanoil, German Erdol A/G and Dubai Sun Oil. The implementation of the 55 per cent tax rate increase which follows the Teheran Agreement (see below) is to be retroactive to 14 November 1970.

70. On 14 February 1971, after several months of hard bargaining a five-year confidential agreement was signed in Teheran between the members of the Organization of Petroleum Exporting Countries (OPEC) and twenty-two or twenty-three oil companies o/ operating in the area. OPEC which was established in Geneva in 1960 and moved its headquarters to Vienna in 1965, has a membership of ten countries including the following: Abu Dhabi, Iran, Iraq, Kuwait, Qatar and Saudi Arabia. p/ The oil production of the ten represents 85 per cent

o/ Reports vary concerning the number of oil companies.

p/ The other four are Algeria, Indonesia, Libya and Venezuela.

of the world's tapped resources outside the Union of Soviet Socialist Republics and the United States. q/ The agreement signed will bring to the six above-mentioned producers an additional revenue of \$US 1,200 million in 1971, rising to \$US 3,000 million in 1975.

71. The agreement followed two warnings by the Shah of Iran that the OPEC countries would seriously consider stopping the flow of their oil to the West if negotiations with the Western oil companies broke down. The first warning was given on 24 January 1971 at a press conference. The second came on 3 February in a statement made before the Iranian Parliament at which ministers of the six oil producing States in the area were present. He urged the countries of the region to adopt a system in accordance with the resolutions of the United Nations safeguarding the rights of sovereignty and independence of each nation, a system finding precedents in other parts of the world, and which insures the stability and confidence sought by consumer countries.

72. In effect, an air of crisis had hung over the oil industry since 3 May 1970 with the break in Syria of Tapline (Trans-Arabian Pipeline) running from Dhahran, Saudi Arabia to the Mediterranean and carrying 408,000 barrels of oil per day. On 12 December 1970, at its twenty-first conference, held in Caracas, OPEC adopted 11 resolutions, including No. 120, which requested, inter alia, (a) fixing 55 per cent as the minimum net income tax rate the oil companies would pay to the OPEC nations; (b) elimination of differences between the posted crude prices and the prices used as a basis for calculating tax rates among OPEC member nations -- basing these on the highest posted price in effect and taking into consideration the geographical situation and the type of oil of the exporting country; (c) adoption of a new policy for adjusting the differences in any particular situation between the posted oil prices and the prices used as the basis for tax calculation; (d) fixing a uniform total increase in the posted prices and the prices used as the basis for tax calculation, and (e) complete abolition, effective as from 1 January 1971, of the discounts granted to oil companies. It initially gave oil companies thirty-one days to accept these terms. Negotiations, however, broke down on several occasions.

73. Following a special two-day session of OPEC in Teheran in early February, during which the Organization had resolved to place a complete embargo on petroleum exports if it did not receive higher prices for its oil by 15 February, official negotiations resumed on 12 February between the producing countries and the oil companies. The oil companies were represented by Lord Strathalmond of British Petroleum, and the six oil producing countries in the area by the Iranian Finance Minister, Dr. Jamshid Amouzegar. The signing ceremony took place just eight and a half hours before the deadline set by OPEC. The guarantees cover 90 per cent of the projected output by the major companies in the area this year.

74. The text of the document reportedly agrees that the tax structure would be observed regardless of better terms negotiated by producers exporting from the Mediterranean (such as Algeria and Libya) and any other world producer (an assurance reportedly aimed at Venezuela). This is to halt the practice of "Leap frogging" to which the companies objected.

q/ Canada, Nigeria and Syria also produce and export considerable petroleum products.

75. The seventh conference of the Organisation of Arab Oil Exporting Countries (OAPEC) met in Kuwait in June. The eight-member organization includes the Emirates of Abu Dhabi and Dubai. It was founded in January 1968 by Kuwait, Libya and Saudi Arabia. The organization is meant to be a sort of Arab "oil common market". Members exchange technical knowledge and capital investment, co-ordinate their oil policies toward the companies and initiate joint projects. Two of these projects, namely, creation of a tanker fleet and construction of a drydock, were on the agenda of the meeting in Kuwait. The next meeting of OAPEC is to convene in Abu Dhabi on 7 October

76. Western Europe and Japan have little hope, according to those who have studied the subject, of escaping from dependency on imported oil. OPEC members already supply 85 per cent of Western Europe's oil. The anticipated production of North Sea oil by 1975 will cover about one year's increase in European demand, which rose by 13 per cent in 1970. Until additional Indonesian oil fields are developed, Japan must continue to depend on the Middle East for 90 per cent of its petroleum.

77. The United States is both the world's largest producer and largest consumer. Oil today provides 45 per cent of its energy. Gas, frequently found with oil, accounts for another 33 per cent. The United States imports 23 per cent of its petroleum, mostly from Canada and Venezuela, but the era of reliance on neighbouring countries is coming to an end. Recently, Mr. M.A. Wright, Chairman of the Board of Humble Oil Company predicted that by 1985 the United States would be dependent on foreign supplies for more than 60 per cent of its oil. Most of that would have to come from the Middle East, which together with North Africa, has about 75 per cent of the world's proved reserves. Whether this prediction is true or not may depend on what price the United States is willing to pay for self sufficiency in oil. United States domestic production is expected to reach a peak within two years and thereafter slowly decline. Even if large quantities of oil from the Alaskan North Slope reach consumers by 1975, there will still be a considerable gap between the output of the United States and its consumption.

78. Meeting in July in Vienna, OPEC admitted Nigeria as its eleventh member. At this session, the 11 members decided to take immediate steps towards what was called "the effective implementation of the principle of participation in the existing oil concessions". A Ministerial Committee consisting of the representatives of Iran, Iraq, Kuwait, Libya and Saudi Arabia was to submit concrete recommendations to an extraordinary OPEC conference scheduled to open 22 September in Beirut.

79. As far as the Trucial States are concerned, the Abu Dhabi Government has prepared a draft law establishing a State Oil Corporation along the lines of those set up by other producing States. The company is to play an important role in developing a public sector in the petroleum and petro-chemical industries. The legislation apparently allows for joint participation in projects by private interests.

80. At the third annual Conference of the Union of Chambers of Commerce and Industry of the Gulf Amirates, held in Bahrain in May 1971, discussions were held, among other things, on the establishment of a company to market oil products and the establishment of a company to take part in oil prospecting in the area. Also under discussion were the establishment of a shipping company and the development of commercial aviation in the area. It was decided to obtain the help of other Arab countries which have shipping companies and establishments for oil refining and prospecting.

Transport and communications

81. In this same field, Sheikh Rashid, Ruler of Dubai, opened his country's new \$4.1 million International Air Terminal on 13 May 1971. The terminal, built under a turnkey contract by Costain Civil Engineering, was completed ahead of schedule. Costain was responsible for the detailed structural, mechanical, electrical and civil engineering design and has fully equipped the building. Additional extensions to the runway and taxi-way systems are being built by the company and it is estimated that by the end of 1971, the Dubai Airport will be able to accept airliners of the 747 category. There are now three "international" airports on the Trucial Coast within 100 miles of each other. The other two are at Abu Dhabi and Sharjah.

82. Recently, on 10 September 1971, the Government of Abu Dhabi invited suitably qualified contractors to tender for construction of the first section of the Abu Dhabi-Qatar highway, from Abu Dhabi to Tarif. The highway will be a single roadway, approximately 112 kilometres long.

83. A conference to co-ordinate broadcasting frequencies in the Gulf States was held in Doha (Qatar) in June 1971. It was to be attended by representatives of the Trucial Emirates, Oman, the Arab League Department of Communications and the Arab Broadcasting Services Union. The conference aimed at setting up a committee and a permanent general secretariat to co-ordinate frequencies for civil and commercial purposes in the region. This had previously been done by the Frequency Assignment Committee in Bahrain which is due to end its services by the end of 1971.

Educational conditions

84. Mr. Hawley in his book cited above r/ has the following to say on the subject of education in the Trucial States:

"General

"Until the early 1950s, religious teachers instilled traditional Islamic education of the elementary kind... Little boys sat in small circles learning the Koran by heart, and the three Rs was the highest to

r/ Hawley, op.cit. pp. 234-238.

which the local schools aspired. The number of boys at school - of course there were no girls - was small, and illiteracy correspondingly high.

"In 1953 the Political Agent... invited the rulers to co-operate in initiating a new system, and the British Government, as part of its policy of greater involvement on land, built a school at Sharjah, teachers for which were provided by the Kuwait Education Department. In 1956 the Trucial States Council agreed that the Political Agent, as Chairman, should write to the Kuwait authorities suggesting that all educational effort should be co-ordinated through the Council. ...

"The British Government built further schools over the next few years at Sharjah, Abu Dhabi, Ras-al-Khaimah and Khor Fakkan. In 1958 the Kuwait authorities began to take a keener interest in the capital side of the education programme, and took over from Britain the building of the projected schools at Ajman and Umm al Qawain.

"Meanwhile, in 1957, the ruler of Sharjah... approached the UAR (United Arab Republic) which sent an educational mission; in 1958-9 the rulers of Ras-al-Khaimah and Dubai also approached Cairo for teachers and a number were sent, who came under the administrative control of the UAR educational mission in Sharjah. In 1959 the Qatar Education Department entered the field and, like Kuwait, they supplied teachers and also paid for new school buildings - at Dubai and Sharjah.

"Self-help, too, was not lacking. The ruler of Dubai in 1958 magnanimously turned his own palace into an elementary school in the winter months and one school was built there by local subscription. The ruler of Dubai and some other rulers paid the salaries not only of the locally engaged teachers but also of other teachers who, though not provided directly by the Kuwait Education Department were recruited with their assistance from Jordan, Syria, and the Gaza Strip. Bahrain, which had financed a teacher-training programme for Trucial States boys, also provided teachers for Abu Dhabi. By 1964 there were 113 teachers provided by Kuwait, 80 by the UAR, 34 by Qatar and 9 by Bahrain. Eighteen only were from the Trucial States.

"Kuwait Aid

"Educational aid from Kuwait was at first on a small scale, but it was gradually increased until in the academic year 1967-8 there were 38 schools, 28 of which had been built by Kuwait, and an enrolment of 16,549 boys and girls. Kuwait provided the basic requirements of these schools - desks, books, stationery, clothes and a daily light meal for all pupils."

85. At this point, Mr. Hawley directs the reader's attention to the following foot-note:

"Enrolment in 1967-8 was as follows:

Emirate	<u>"Schools</u>			<u>Students</u>			<u>Teachers</u>		
	Boys	Girls	Total	Boys	Girls	Total	Men	Women	Total
Dubai	6	4	10	2,815	1,353	4,168	97	42	139
Sharjah	6	6	12	1,960	1,275	3,235	77	49	126
Ras-al-Khaimah	5	5	10	1,163	759	1,922	57	37	94
Umm al Qawaim	1	1	2	217	141	358	13	7	20
Ajman	1	1	2	360	168	528	15	5	20
Fujairah	1	1	2	239	99	338	8	5	13
Total	20	18	38	6,754	3,795	10,549	267	145	412"

86. He continues:

"According to Kuwait records two classes for male teachers and one for female teachers were opened in the same year as the nucleus of a teacher-training college. Sixty pupils were sent abroad for University studies at the expense of the Kuwait Government, and two evening classes for commercial studies were opened.

"The Kuwait curriculum was followed in all the schools - except in Abu Dhabi - modified slightly to take account of the fact that the educational periods in the Trucial States consisted of four years primary, four years intermediate and four years secondary, whereas in Kuwait itself they consisted of six years primary, three years intermediate and three years secondary. ... By 1967 Dubai, and Ras-al-Khaimah each had one intermediate/secondary school; there were primary/intermediate schools in Dubai (2), Sharjah (2), Ras-al-Khaimah (2) and Ajman; and there were primary schools in all States.

"The pattern in Abu Dhabi, however, was different and the ruler made his own arrangements for recruitment of teachers, mainly Jordanians. Progress was very slow. Subsequently, after Sheikh Zaid ibn Sultan became ruler, education was put on a more even keel, and in 1966 a British Director of Education... was appointed. At this time there were only four elementary schools for boys and one for girls with a total enrolment of 587 students. Between 1966 and 1968 five more schools were built and enrolment stood at 2,300, with 77 teachers. By 1968-9 the number of teachers had risen to 233 and enrolment to 4,380. Education was free, and students were given monthly allowances and free transport from home to school. The curriculum was based on the Jordanian system. However, in 1968 an Iraqi director took over... and plans were made to draw up a new curriculum based more closely on the system followed in the UAR and Kuwait.

"Britain's main contribution in the field of education was the initiation and development of technical education, although the Agricultural School at Ras-al-Khaimah and the school of the Trucial Oman Scouts were also paid for from British funds.

"Technical Education

"A Trade School was opened in Sharjah in 1958 with one class of 18 boys and this marked the beginning of technical education in the Trucial States. ... The initial aim was to train artisans, and results were rapid. After only a year, many of the first batch of students left, already better qualified than other local people. Fortunately some of the best remained, and in 1960 four were sent to the Sudan for training as instructors, thus beginning the policy, continued subsequently, of providing a trained staff from local people.

"Efforts were made in 1960 to co-ordinate education in the Trucial States, with a higher degree of local control than there had been in the past. The ruler of Dubai went so far as to appoint, in 1951, a Sudanese Director of Education for his own State as a first step in this direction. However, the necessary co-operation with the then existing educational personnel was lacking and the project was dropped.

"At first, Shaikh Shakhbut ibn Sultan attempted to recruit staff at too low an initial wage, and the staff so recruited for 1958-59 when the first school was opened in Abu Dhabi, were so unsatisfactory that no teachers at all were employed in the following year.

"... By 1964, the curriculum covered four main courses: general engineering, motor-vehicle maintenance, carpentry and cabinet-making, and electrical installation. All students were given lessons in technology, general science and social studies, as well as the subjects included earlier.

"In 1961 a decision was taken to open a trade school at Dubai, paid for by the ruler of Dubai and the British Government jointly. Students from the Sharjah Trade School helped to build the new premises. The Dubai school was opened in 1964 with 36 students, and three-year courses were introduced covering mechanical engineering, carpentry and cabinet-making, and electrical installation.

"Improved educational standards at the same time permitted the extension of the courses at the Sharjah school to three years. By the end of 1964, literacy in Arabic after a full four years' primary education became the minimum qualification for entry to both schools. In 1966 a three-year commercial course was added to the curriculum of the Dubai school; the subjects taught were Arabic and English typing, Arabic and English language, mathematics and accountancy, business administration, office practice and procedure, commercial law and geography. The first intake was 15. In 1967 the Trucial States Council took over financial responsibility for both schools, as well as a new Trade School at Ras-al-Khaimah.

"By 1968 there was an annual intake of 80 students at Dubai, and the length of the course was extended to four years. The intake at Sharjah was 48, but expansion was planned to put it on all fours with Dubai. By 1968 there were 104 students enrolled at the Sharjah Trade School and 194 at the Dubai Trade School. The target was 750 boys receiving technical education in the Trucial States by 1974, which would be the equivalent of 20 per cent of the applicable male age group.

"A steadily increasing number of Trucial States students received further technical education abroad in Khartoum, Kuwait, Bahrain and Beirut, but by 1968 the majority of them were receiving training in the United Kingdom.

"A General Scholarship Programme was started under the Trucial States Development Fund in 1967, the object of which was to produce students qualified for the Public Service. By 1968 there were 20 students studying under the scheme in the United Arab Republic, Jordan, Iraq, Saudi Arabia, Sudan and the United Kingdom.

"The Agricultural School was started in 1957 in conjunction with the Agricultural Trials Station at Ras-al-Khaimah. This was a boarding school, and boys came from all parts of the Trucial States. The object was to teach boys the three Rs up to elementary school level, and to give them a grounding in agricultural methods which they could apply among their own people. The teaching was, however, a little haphazard until 1960, when a qualified Sudanese teacher arrived. By 1962 there were 80 boys, most of whom were boarders and who came from all parts of the Trucial States including Buraimi. In 1967 the school was converted to an Agricultural School in the true sense of the word, giving a two-year course in agriculture designed for students who had already completed three to four years of intermediate schooling."

CHAPTERS XIV-XVI

(A/8423/Add.6 (Part I))

NEW HEBRIDES, NIUE AND THE TOKELAU ISLANDS, GILBERT AND ELlice ISLANDS, PITCAIRN AND THE SOLOMON ISLANDS

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CHAPTER XIV

NEW HEBRIDES

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, inter alia, to refer the New Hebrides to Sub-Committee II for consideration and report.
2. The Special Committee considered the item at its 813th and 814th meetings, on 9 and 11 August 1971.
3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2621 (XXV) of 12 October 1970, containing the programme of action for the full implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, and resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 14 of resolution 2708 (XXV), the General Assembly requested the Special Committee "to continue to pay particular attention to the small Territories, and to recommend to the General Assembly the most appropriate methods and also the steps to be taken to enable the populations of those Territories to exercise fully and without delay their right to self-determination and independence". The Special Committee also took into account other resolutions of the General Assembly, particularly resolution 2709 (XXV) of 14 December 1970 concerning 25 Territories, including the New Hebrides, by paragraph 8 of which the General Assembly requested the Special Committee "to continue to pay special attention to these Territories and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution".
4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action previously taken by the Special Committee as well as by the General Assembly, and on the latest developments concerning the Territory.
5. In addition, the Special Committee had before it the following written petitions concerning the New Hebrides:
 - (a) Letter dated 5 March 1971 from Messrs. Ramrakhas transmitting a petition from Chief Jimmy T.P.S. Moses, President of Na-griamel (A/AC.109/PET.1164);
 - (b) Letter dated 19 June 1971 from Chief Jimmy T.P.S. Moses, President of Na-griamel (A/AC.109/PET.1164/Add.1).
6. At the 813th meeting, on 9 August, the Chairman of Sub-Committee II, in a statement to the Special Committee (A/AC.109/PV.813), introduced the report of that Sub-Committee concerning the New Hebrides (see annex II to the present chapter).

7. At its 814th meeting, on 11 August, the Special Committee adopted the report of Sub-Committee II and endorsed the conclusions and recommendations contained therein. These conclusions and recommendations are set out in paragraph 9 below.

8. On 13 August, the text of the conclusions and recommendations was transmitted to the Permanent Representatives of France and the United Kingdom of Great Britain and Northern Ireland to the United Nations for the attention of their respective Governments.

B. DECISION OF THE SPECIAL COMMITTEE

9. The text of the conclusions and recommendations adopted by the Special Committee at its 814th meeting, on 11 August, to which reference is made in paragraph 7 above, is reproduced below:

(1) The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples reaffirms the inalienable right of the people of the New Hebrides to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples contained in General Assembly resolution 1514 (XV) of 14 December 1960.

(2) Fully aware of the peculiar problems of the Territory by virtue of its being a condominium, as well as of the special circumstances of geographical location and economic conditions that exist in the Territory, the Special Committee reiterates its view that the question of its size, isolation and limited resources should in no way delay the speedy implementation of the Declaration in the Territory.

(3) The Special Committee notes with regret the absence of the representatives of the administering Powers concerned, namely France and the United Kingdom of Great Britain and Northern Ireland from the discussions held by the Special Committee on the New Hebrides. Moreover, it expresses its deep concern that France continues to find it not possible to co-operate with the Committee concerning the Territory by supplying it with supplementary information which would assist the Committee to formulate its conclusions and recommendations. The Special Committee therefore appeals to the two Governments concerned to reconsider their positions and to provide more information on the Territory.

(4) The Special Committee notes that, despite the limited information available to it, the general impression obtained is of very little political progress achieved in the Territory in the period under review. Although the Advisory Council was enlarged in 1969, the New Hebridean members remain in a minority and its functions remain restricted. The Special Committee therefore reiterates its previous hopes that constitutional development will take place so as to transfer full governmental authority to an elected body.

(5) The Special Committee notes further that the enlarged Advisory Council has appealed to the two administering Powers concerned to undertake an immediate revision of the 1914 Protocol, by which the Territory is administered, on the grounds that its provisions impede the development of the Territory and the realization of the aspirations of its people. The Special

Committee supports this appeal and would welcome being kept informed on the response of the administering Powers to it.

(6) The Special Committee, noting that the highest education available in the Territory is at the secondary level and given the restricted number of New Hebrideans who seek higher education outside the Territory, would welcome information concerning training programmes envisaged by the administering Powers in order to localize the public services along the lines discussed by the enlarged Advisory Council.

(7) The Special Committee regrets that no information has been forthcoming, as previously requested by it, concerning the system of land tenure in the Territory. It notes moreover that another communication, dated 5 March 1971, 1/ has been received from the Na-griamel movement on this among other subjects and it further notes that the enlarged Advisory Council has adopted positions similar to those of the Na-griamel movement, particularly with regard to this question. The Special Committee therefore urges the administering Powers to take the measures necessary to restore land to indigenous ownership and to ensure that this is not violated. The Special Committee again requests that it be kept informed on the subject by the administering Powers.

(8) The Special Committee is particularly concerned that, according to published reports, more than 200 overseas companies have registered in the Territory in recent months to take advantage of economic circumstances peculiar to the New Hebrides, including its tax-free economy. Bearing in mind the views which it has repeatedly expressed concerning foreign economic, financial and other interests operating in colonial Territories, the Committee expresses the hope that the administering Powers concerned will take immediate steps to halt investments which are detrimental to the people of the Territory and which will inevitably result in political repercussions. It also requests that it be kept informed on this subject by the administering Powers.

(9) The Special Committee shares the concern of the Advisory Council over the exodus of labour from the Territory and suggests that a study should be made of the subject.

(10) The Special Committee, concerned at the continued slow pace of development in the economic, social and educational fields in the New Hebrides, reiterates its previous recommendations that the administering Powers should undertake an intensive and concerted effort to speed up advancement in these fields.

(11) Bearing in mind the provisions of General Assembly resolution 2106 B (XX) of 21 December 1965, the Special Committee decides to transmit the communication dated 5 March 1971 2/ to the Committee on the Elimination of Racial Discrimination for its consideration.

1/ A/AC.109/PET.1164.

2/ Ibid.

(12) Bearing in mind the invitation which it has received from the national political movement of Na-griamel "to visit the country forthwith", 3/ the Special Committee again stresses the importance which it attaches to the dispatch of a visiting mission to the Territory. It is only through direct contact that the true attitude, aspirations and wishes of the people can be ascertained. The Special Committee urges the administering Powers to reconsider their position concerning visiting missions and allow a mission to visit the New Hebrides.

3/ Ibid.

ANNEX I*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.696

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

1. The Territory of the New Hebrides has been considered by the Special Committee and the General Assembly since 1964. The Special Committee's conclusions and recommendations concerning the Territory are set out in its nineteenth and twenty-first to twenty-fifth sessions. a/ The General Assembly's decisions concerning the Territory are contained in resolutions 2069 (XX) of 16 December 1965, 2232 (XXI) of 20 December 1966, 2357 (XXII) of 19 December 1967, 2430 (XXIII) of 18 December 1968 and 2592 (XXIV) of 16 December 1969.

2. After considering the New Hebrides in 1970, the Special Committee adopted the following conclusions and recommendations: b/

"(1) The Special Committee expresses its serious concern that one of the administering Powers of the condominium, namely France, continues to find it not possible to co-operate with the Committee concerning the Territory by supplying it with supplementary information so as to assist the Committee to formulate its conclusions and recommendations. In this regard, the Special Committee reiterates its appeal to the Government of France to reconsider its position.

"(2) The Special Committee notes the statement of the representative of the United Kingdom that there is now a majority of New Hebrideans among the elected members of the Advisory Council, and that this Council has been increasingly active in the period under review. The Committee, however, regrets that New Hebrideans are still in a minority in the Advisory Council and considers that the Advisory Council still has limited powers and that the powers vested in the Resident Commissioner are so broad and sweeping as virtually to reduce the effectiveness of the Advisory Council.

"(3) Bearing this in mind, the Special Committee expresses the hope that constitutional development will take place so as to transfer full governmental authority to an elected body.

"(4) The Special Committee attaches great importance to the question of the restoration of indigenous ownership of land. Noting the communications dated 22 May and 3 June 1970 (A/AC.109/PET.1148) from leaders of the Na-griamel movement and its reference to the land situation in the Territory and taking note of the statement of the representative

a/ Official Records of the General Assembly, Nineteenth Session, Annexes, annex No. 8 (part I) (A/5800/Rev.1), chap. XX, paras. 89-96; ibid., Twenty-first Session, Annexes, addendum to agenda item 23, document A/6300/Rev.1, chap. XVII, paras. 23-24; ibid., Twenty-second Session, Annexes, addendum to agenda item 23 (part III), document A/6700/Rev.1, chap. XVII, para. 31; ibid., Twenty-third Session, Annexes, addendum to agenda item 23, document A/7200/Rev.1, chap. XIX, section II; ibid., Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. XVII, para. 10; ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27.

b/ Ibid., chap. XIV, para. 27 (1).

of one of the administering Powers, the Special Committee considers that certain administrative measures should be taken to restore indigenous ownership to land and to ensure that this is not violated. In this regard, the Special Committee requests that it be kept informed on this subject by the administering Powers.

"(5) The Special Committee continues to be concerned at the slow pace of development in the economic, social and educational fields in the New Hebrides. The Special Committee therefore reiterates its recommendations to the administering Powers that advancement in these fields should be intensified through a concerted effort and that the active participation of representatives of the people in this process be secured."

3. In addition, the Special Committee adopted a number of general conclusions and recommendations relating to all the Territories in Asia and the Pacific Ocean considered by it during 1970. These conclusions and recommendations are set out in the Committee's report to the General Assembly at its twenty-fifth session. c/

4. By resolution 2709 (XXV) of 14 December 1970, which concerned twenty-five Territories, including the New Hebrides, the General Assembly, inter alia, approved the chapters of the report of the Special Committee relating to these Territories and requested the Special Committee to continue to pay special attention to them and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution.

B. INFORMATION ON THE TERRITORY d/

1. General

5. Basic information on the New Hebrides is contained in the report of the Special Committee to the General Assembly at its twenty-fifth session. e/ Supplementary information is set out below.

6. According to a census taken on 31 December 1969, the total population of the New Hebrides amounted at that time to 82,769 persons, of whom 5,345 were non-indigenous, comprising mostly Europeans, part-Europeans or other Pacific Islanders. Compared with the results of the first census taken in 1967, the 1969 results revealed an increase in total population of approximately 4,800.

c/ Ibid., para. 27 (a).

d/ This section is based on published reports and on information transmitted to the Secretary-General by the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter on 29 June 1970 for the year ending 31 December 1969 and by France on 30 December 1970 for the year ending 31 December 1969.

e/ See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III.C.

2. Political and constitutional developments

7. As previously stated, the Territory forms a condominium administered jointly by France and the United Kingdom. The Territory is governed according to the terms of an Anglo-French Protocol of 6 August 1914 which provides for a Joint Administration headed by the British and French High Commissioners in the western Pacific acting through their local representatives, the British and French Resident Commissioners, assisted by a thirty-member Advisory Council. The Advisory Council, which was enlarged in 1969, consists of twenty-four unofficial members, fourteen of whom are elected and ten nominated, together with six official members (the British and French Resident Commissioners, the Assistant British Resident Commissioner, the Chancellor of the French Residency, the Condominium Treasurer and the Condominium Superintendent of Works).

8. The constitutional changes introduced in 1969 provided, inter alia, for an increase in the number of elected members of the Advisory Council, from two to three in the case of British and French and from four to eight in the case of New Hebrideans, and also for a new method of electing the latter. Under the new arrangements there are eight electoral districts or constituencies in each of which there is an electoral college composed of representatives of the local councils and a number of electors representing areas where there are no local councils. Since the 1969 changes also involved a reduction from twelve to ten in the number of nominated unofficial members, the effect was to reverse the proportion of elected and nominated members who now comprise 60 per cent and 40 per cent of the unofficial membership.

9. Following elections held in July and August 1969, the enlarged Advisory Council held its first meetings in October and December of that year. Meeting again in March 1970, the Council considered a number of substantive matters, including the question of the future of the New Hebrides and the delicate question of land tenure, which has been a principal issue raised by the Na-griamel political movement. On the latter question, which concerned land alienated to non-Hebrideans but left uncultivated by them, the opinion of the New Hebridean members reportedly coincided with that of the Na-griamel movement, which is actively campaigning for the return of such land to indigenous ownership. It was subsequently stated in the Council that no new sales of land by New Hebrideans to Europeans or United States citizens had been registered during the period 1969 to 1970 and that, on the contrary, 5,219 hectares (12,896 acres) previously held by Europeans had been returned to New Hebridean ownership.

10. Other matters discussed at the March session of the Advisory Council related to the creation of elected municipal councils, which would require an amendment to the Anglo-French Protocol, the need to give more encouragement to local councils, the drain of manpower to New Caledonia and the question of whether or not New Hebrideans should be appointed as magistrates to preside over local courts with limited jurisdiction.

11. Addressing the Advisory Council in December 1970, the British Resident Commissioner said that the United Kingdom Government, in consultation with the French Government, wished to see the Council evolve along democratic lines. However, it did not wish either to delay such evolution or to impose it on those who did not want it; the guiding principle of the United Kingdom was always to follow the wishes of the people. He nevertheless warned members against attaching

too much importance to a particular form of constitutional evolution merely because it had been followed elsewhere. The important thing was to have the advice of the members of the Council on what would be the best system for the New Hebrides.

12. At the same session, the Advisory Council adopted a motion in which it appealed to the two administering Powers to undertake an immediate revision of the Anglo-French Protocol of 6 August 1914, on the grounds that its provisions were outdated and constituted an impediment to the development of the Territory and the realization by the New Hebrideans of their aspirations towards greater responsibilities. One of the two New Hebridean members who proposed the motion criticized in particular the condominium system providing for separate administrative structures which, he said, led to apathy and resistance to change.

13. Meanwhile, the Na-griamel movement continued its campaign for the return to indigenous ownership of undeveloped land which had been acquired by European interests before the establishment of the condominium. In January 1970, two members of the movement, which is reported to have 10,000 adherents, were convicted on charges of trespassing and were sentenced to short terms of imprisonment. In May, the leader of the movement, Mr. J.M. Stephens, reportedly visited Suva (Fiji) to seek the assistance of a lawyer in order to obtain United Nations support.

3. Economic conditions

14. Most of the New Hebrides is mountainous and heavily forested; consequently large areas of the interior are uninhabited. The economy is based mainly on subsistence gardening and the production of copra. Other cash crops include cocoa and coffee, but so far the production of these crops has been relatively small. Apart from copra sales, which account for more than half the value of exports, the Territory's main exports consist of frozen fish, an industry which began in 1957 and now ranks second after copra, and, until recently, manganese ore mined at Forari on the island of Efata. Since December 1968, however, there has been no export of manganese, the Compagnie Française des Phosphates de l'Océanie having ceased production because of the poor grade of ore being mined and because of marketing difficulties. In October 1969, it was reported, however, that the mines, possessing reserves estimated at 300,000 tons of 42 per cent manganese, would be reopened by an Australian company, Southland Mining, Ltd., which had purchased a 50 per cent interest in Le Manganese de Vate (LMV), the owner of the mines. In a further development, it was reported that a petroleum prospector, the Magellan Petroleum Company, had shown an interest in the New Hebrides and had been granted the right to apply for prospecting and mining leases.

15. In 1969, exports were valued at \$A10,021,960, f/ including \$A5,308,019 from copra and \$A3,102,055 from frozen fish. In the same year imports were valued at

f/ The pound sterling and the French franc are legal tender in the Territory. The currencies in use are the Australian dollar (\$A) which is valid for payments in sterling; and the New Hebrides franc (FNH), which is convertible into Australian currency. The issue of New Hebrides francs is regulated by the French authorities who also fix the rate of exchange with the French franc. One pound sterling equals twelve French francs or \$A2.14. One Australian dollar equals \$US1.12. One New Hebrides franc equals \$US0.009. One Australian dollar equals 100 New Hebridean francs.

\$A10,551,777. As in the previous year, most of the exports went to France and Japan, while the main sources of imports were Australia and France.

16. The Territory has three budgets: one for the Joint Administration or Condominium Government; one for the British National Administration; and one for the French National Administration. The budget of the Joint Administration provides finance for services that are operated jointly and makes contributions to each of the national administration budgets for health and educational services.

17. Revenue for the joint budget is derived principally from import-export duties and other local taxes. Revenue for each of the national budgets is derived mainly from grants by the administering Powers.

18. Revenue and expenditure under the joint budget in 1969 totalled \$A3,738,409 and \$A3,445,545 respectively. Revenue and expenditure under the British National Administration budget for the year 1969 totalled \$A1,823,327 and \$A1,777,222 respectively. Revenue and expenditure under the French National Administration budget for the year 1969 totalled respectively 146,936,000 New Hebrides francs (FNH) and 133,793,000 FNH, compared with 144,024,000 FNH and 141,964,000 FNH in 1968.

Financial aid

19. Total financial aid given to the Territory by the United Kingdom amounted to £1,082,000 in the financial year 1969/70. Of this, £859,000 was in the form of grants, the balance taking the form of technical assistance. Aid from the United Kingdom over the decade 1960-1970 amounted to £4,423,000, of which 75 per cent consisted of grants, and the rest was for technical assistance. Budgetary aid for the financial year 1970/71 is reported to amount to £785,000. It is further reported that the whole of the current development programme of the British National Administration is financed by the United Kingdom Government.

20. Details of financial aid given by the French Government are not available.

4. Social conditions

Labour

21. The indigenous population is largely engaged in agricultural pursuits on its own small holdings, producing both subsistence and cash crops. Most of the employed labour works on copra plantations, trading ships or as semi-skilled labour. In 1969, there were 36,063 persons working for wages and 5,827 on salary. There were also 242 employers, bringing the total work force to 42,132 persons.

22. Wages vary according to the type of labour and whether or not rations are included. The lowest wage is that of an unskilled plantation worker who, in addition to free rations, earned \$A34 per month in 1969. At the other end of the scale, store employees received \$A100 per month, including overtime.

23. According to reports, the New Hebrides is contributing to the expansion of the work force in New Caledonia. There were 1,500 New Hebrideans in Nouméa (New Caledonia) in December 1969, and twice that number were reported in 1970 to

have been to Nouméa and have returned to the New Hebrides. Considerably higher wages than those in the New Hebrides attract migrant labour to Nouméa. Discussions concerning this matter, during the nineteenth session of the Advisory Council, indicated that most New Hebrideans members were of the opinion that the local population should not be permitted to go to New Caledonia to work.

Public health

24. Medical services in the Territory are provided by the Joint Administration, the British and the French National Administration and voluntary mission organizations. Although these services are independent, they co-operate in various ways, the French Administration devoting its main effort to the provision of hospitals in the main population centres, while the British Administration and the British missions concentrate on the rural areas. The Chief French Medical Officer, as Chief Condominium Medical Officer, co-ordinates the work with the help of the Chief British Medical Officer, who is his deputy.

25. The British Administration is to build a new base hospital in Vila to replace the present hospital, and to this end a site has been acquired and plans are currently being prepared. It is hoped that the hospital will be completed by 31 December 1972.

26. The Joint Administration maintains a relatively small medical service which consists of some six village dispensaries and the only mental hospital in the Territory. In addition, it is responsible for preventive medicine services which are operated on a national scale; these at present are a tuberculosis control programme and mass immunization programme involving triple antigen, tetanus toxoid and smallpox vaccine. The Joint Administration also undertakes certain financial commitments with regard to the provision of medical services.

27. In 1969, there were in the Territory a total of sixteen registered physicians (including fourteen employed by the Government). There were also two pharmacists, both private; three dentists (one government employed); and 185 nurses (121 government employed). Hospital facilities consisted of three government general hospitals, six auxiliary hospitals, four medical centres, eighteen rural dispensaries with beds, sixty-six dispensaries and one psychiatric unit.

28. In 1969, expenditure on public health by the British National Administration totalled \$A286,014, compared with \$A193,751 in 1967/68. Expenditure on public health by the French National Administration in 1969 was FNH33,383,000 compared with FNH27,322,000 in 1968.

5. Educational conditions

29. Primary education supported by the British National Administration was provided by 201 independent or mission schools and seven public schools with a total enrolment of 10,976 pupils in 1969. The French National Administration operated thirty-eight primary schools in 1969 staffed by 142 teachers, of whom thirty-seven were indigenous. These schools had an enrolment of 3,027 pupils, of whom 2,700 were indigenous. There were also thirty-two private schools run by French voluntary organizations with an enrolment of 3,755 pupils, of whom 3,600 were indigenous. The total number of children of school age (six to fourteen years of age) was 22,104 in 1969.

30. The French National Administration operated two secondary schools, with a total enrolment of 180 students in 1969. The one British secondary school had an enrolment of 114 pupils in 1969. There were also three independent secondary schools. In addition, 14 students were attending secondary schools, with scholarships, in New Caledonia and France.

31. Vocational training is provided by the British Secondary School and also by three pre-vocational schools run by voluntary agencies. In addition, the British National Administration operates a teacher's college staffed by six teachers, which had an enrolment of seventy-two students in 1969.

32. In 1969, three students were in French universities on scholarships granted by the French National Administration. There were no New Hebridean students in the United Kingdom.

33. The Condominium Government does not provide funds for educational services out of its Joint Administration budget, but gives an annual subsidy to the national administrations, which in turn assist the mission schools. Educational expenditure by the British National Administration for 1969 totalled (recurrent and capital) \$A743,582. Educational expenditure by the French National Administration in 1969 amounted to 2,750,000 French francs.

ANNEX II*

REPORT OF SUB-COMMITTEE II

Chairman: Mr. Mohammed Hakim ARYUBI (Afghanistan)

A. Consideration by the Sub-Committee

1. The Sub-Committee considered the Territory of the New Hebrides at its 127th, 129th to 132nd and 136th to 138th meetings between 27 April and 2 August 1971 (see A/AC.109/SC.3/SR.127, 129-132, 136-138).
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see annex I to the present chapter).

B. Adoption of the Report

3. Having considered the situation in the Territory of the New Hebrides, the Sub-Committee adopted its conclusions and recommendations on the Territory of the New Hebrides at its 138th meeting on 2 August 1971. a/
4. The Sub-Committee adopted the present report at the same meeting.

* Previously issued under the symbol A/AC.109/L.724 and Corr.1.

a/ The conclusions and recommendations submitted by Sub-Committee II for consideration by the Special Committee were adopted by the latter body without modification. They are reproduced in paragraph 9 of the present chapter.

CHAPTER XV

NIUE AND THE TOKELAU ISLANDS

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, *inter alia*, to refer Niue and the Tokelau Islands to Sub-Committee II for consideration and report.

2. The Special Committee considered the item at its 811th, 813th and 816th meetings, on 23 July and 9 and 16 August.

3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2621 (XXV) of 12 October 1970, containing the programme of action for the full implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, and resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 14 of resolution 2708 (XXV), the General Assembly requested the Special Committee "to continue to pay particular attention to the small Territories, and to recommend to the General Assembly the most appropriate methods and also the steps to be taken to enable the populations of those Territories to exercise fully and without delay their right to self-determination and independence". The Special Committee also took into account other resolutions of the General Assembly, particularly resolution 2709 (XXV) of 14 December 1970 concerning 25 Territories, including Niue and the Tokelau Islands, by paragraph 8 of which the General Assembly requested the Special Committee "to continue to pay special attention to these Territories and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution".

4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action previously taken by the Special Committee as well as by the General Assembly, and on the latest developments concerning the Territory. The Special Committee also had before it a document relating to the item (see annex II to the present chapter) which, on the proposal of the Chairman of Sub-Committee II, it had decided to circulate at its 811th meeting, on 23 July. In addition, the Special Committee took into account the relevant section of the report of its Chairman on the question of sending visiting missions to Territories. ^{1/}

5. The representative of New Zealand participated in the work of the Special Committee during its consideration of the item.

^{1/} See chapter IV, annex I, of the present report (A/8423 (part IV)).

6. At the 813th meeting, on 9 August, the Chairman of Sub-Committee II, in a statement to the Special Committee (A/AC.109/PV.813), introduced the report of that Sub-Committee concerning Niue and the Tokelau Islands (see annex III to the present chapter). Statements were also made by the representative of New Zealand and by the Chairman (A/AC.109/PV.813).

7. At its 816th meeting, on 16 August, the Special Committee adopted the report of Sub-Committee II and endorsed the conclusions and recommendations contained therein. These conclusions and recommendations are set out in paragraph 9 below. 2/

8. On 16 August, the text of the conclusions and recommendations was transmitted to the Permanent Representative of New Zealand to the United Nations for the attention of his Government.

B. DECISIONS OF THE SPECIAL COMMITTEE

9. The text of the conclusions and recommendations adopted by the Special Committee at its 816th meeting, on 16 August to which reference is made in paragraph 7 above, is reproduced below:

(1) The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples reaffirms the inalienable right of the peoples of Niue and the Tokelau Islands to self-determination in conformity with the Declaration contained in General Assembly resolution 1514 (XV) of 14 December 1960.

(2) The Special Committee notes the statement of the representative of New Zealand to the effect that small Non-Self-Governing Territories face unique problems of area, remoteness, lack of resources and size of population and that the United Nations has an obligation to make a deliberate effort to guide the future of such Territories, taking into account the existence of these unique features. It considers, however, that these problems should not prevent the ultimate implementation of the Declaration in these Territories.

(3) The Special Committee takes note of the statements made by the representative of New Zealand and the report of the Constitutional Adviser to the Niue Island Assembly, Professor R.Q. Quentin-Baxter, on the subject of the latest developments regarding the status of Niue showing that the administering Power has taken into account the view of the Special Committee concerning the need for an accelerated pace of constitutional development in Niue to help advance the people of the Territory as soon as possible to the stage of determining their own future.

(4) The Special Committee also takes note of the approval by the Niue Assembly of Professor Quentin-Baxter's recommendations for the future constitutional development of the Territory and of the measures taken thus far

2/ An account of the Special Committee's consideration of the question of sending visiting missions, to which reference is made in paragraph 9 (10) of the conclusions and recommendations, is contained in chapter IV of the present report (A/8423 (part IV)).

by the New Zealand Government to respond to the aspirations of the people of Niue. It views the favourable reception of Professor Quentin-Baxter's report as an encouraging sign for the future development of the Territory.

(5) The Special Committee notes the statements of the representative of New Zealand on the role of the Resident Commissioner in the Niue Assembly and will welcome further information on this subject following the proposed constitutional amendments.

(6) The Special Committee notes with satisfaction the fact that the Niue Assembly now has power to control all public expenditure, including the use of the financial assistance provided by the administering Power. The Committee agrees with the views expressed by Professor Quentin-Baxter in his report regarding the emigration of the island's population to New Zealand.

(7) With regard to economic development of Niue, the Special Committee notes the marked increase in the value of exports in the period under review, this rise being accounted for by a higher level of passion fruit exports. It notes, nevertheless, that the Territory continues to rely on material aid from New Zealand to make up budgetary deficits. The Special Committee notes the construction of an airport in Niue, which will increase this Territory's means of communication with the outside world.

(8) Regarding the Tokelau Islands, the Special Committee notes the serious economic difficulties faced by the people of the Territory and is aware of the widely felt need of the Tokelauans to depend on New Zealand for continued assistance. It considers, however, that further efforts should be made by the administering Power to develop the islands' resources in order to make life there more tolerable.

(9) The Special Committee notes the progress made in the educational sphere in both Territories and expresses the hope that particular attention will be given to facilitating access to higher education and to training the cadres which the Territories will require when they are in a position to determine their own future.

(10) The Special Committee welcomes the invitation extended to it by New Zealand to send a small visiting mission to Niue and the Tokelau Islands and expresses the view that the initiative taken by the New Zealand Government in this regard is particularly relevant to the work of the Special Committee. In doing so, the administering Power has given proof of its willingness to co-operate extensively with the Special Committee. In this connexion, the Special Committee requests its Chairman to take the necessary steps, in consultation with its members and the administering Power, to dispatch a mission to the Territories at a suitable time in 1972.

ANNEX I*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.708.

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

1. The Territories of Niue and the Tokelau Islands have been considered by the Special Committee and the General Assembly since 1964. The Special Committee's conclusions and recommendations concerning these Territories are set out in its reports to the General Assembly at its nineteenth and twenty-first to twenty-fifth sessions. a/ The General Assembly's decisions concerning the Territories are contained in resolutions 2069 (XX) of 16 December 1965, 2232 (XXI) of 20 December 1966, 2357 (XXII) of 19 December 1967, 2430 (XXIII) of 18 December 1968 and 2592 (XXIV) of 16 December 1969.

2. After considering Niue and the Tokelau Islands in 1970, the Special Committee adopted the following conclusions and recommendations: b/

"(1) The Special Committee takes note of the statements made by the representative of New Zealand on the subject of the status of Niue and the Tokelau Islands. The Special Committee also notes with interest the report of the administering Power that a full member system of government has now been established in Niue and that the principle of one man, one vote is in force in that Territory. It considers, however, that the chairmanship of the Executive Committee, which is at present constitutionally filled by the Resident Commissioner, should be entrusted to an elected indigenous member.

"(2) The Special Committee wishes to see an accelerated pace of constitutional development in Niue and would expect similar steps to be taken in respect of the Tokelau Islands so as to help advance the people of the Territories to the stage of determining their own future as soon as possible.

"(3) The Special Committee notes the statement of the administering Power that the basic policy of its public service training scheme is to diminish the need for New Zealand officials in the Territories. It also takes note of the statement of the administering Power that a majority of positions in the Niue Public Service are held by Niueans.

a/ Official Records of the General Assembly, Nineteenth Session, Annexes, Annex No. 8 (A/5800/Rev.1), chap. XV, paras. 99 and 103-115; *ibid.*, Twenty-first Session, Annexes, addendum to agenda item 23, document A/6300/Rev.1, chap. XVI, paras. 211 and 212; *ibid.*, Twenty-second Session, Annexes, addendum to agenda item 23 (Part III), document A/6700/Rev.1, chap. XVI, para. 95; *ibid.*, Twenty-third Session, Annexes, addendum to agenda item 23, document A/7200/Rev.1, chap. XIX, section II; *ibid.*, Twenty-fourth Session, Supplement No. 23, (A/7623/Rev.1), chap. XVI, para. 11; *ibid.*, Twenty-fifth Session, Supplement No. 23, (A/8023/Rev.1), chap. XIV, para. 27.

b/ *Ibid.*, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27 (c).

"(4) With regard to economic development, the Special Committee takes note of the development programme for 1968-1971 which is being implemented and expresses the hope that it will produce positive results. It notes the statement made by the representative of the administering Power concerning the composition and powers of the Niue Development Board and its relationship to the New Zealand Government. It would welcome being kept informed of the activities of this Board.

"(5) The Special Committee notes that some progress in the educational sphere has been made in both Territories and wishes to note further the rapid progress in this important field.

"(6) The Special Committee takes note of the statement of the administering Power that New Zealand has undertaken unconditionally to receive United Nations visiting missions in Niue and the Tokelau Islands at a time when those Territories reach the stage of a decisive act of self-determination. The Special Committee, however, is of the view that it is necessary to send a visiting mission to assess, inter alia, the stage for a decisive act of self-determination. The Special Committee urges the administering Power to comply with the repeated request of the Special Committee concerning visiting missions and to allow a sub-committee to visit the Territories without further delay."

3. In addition, the Special Committee adopted a number of general conclusions and recommendations relating to all the Territories in Asia and the Pacific Ocean considered by it during 1970. These conclusions and recommendations are set out in the Committee's report to the General Assembly at its twenty-fifth session. c/

4. By resolution 2709 (XXV) of 14 December 1970, which concerned twenty-five Territories, including Niue and the Tokelau Islands, the General Assembly, inter alia, approved the chapters of the report of the Special Committee relating to these Territories and requested the Special Committee to continue to pay special attention to them and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution.

B. INFORMATION ON THE TERRITORIES^{d/}

INTRODUCTION

5. Basic information on Niue and the Tokelau Islands is contained in the Special Committee's report to the General Assembly at its twenty-fifth session.

c/ Ibid., para. 27 (a).

d/ Information presented in this section has been derived from published reports and from information transmitted to the Secretary-General by New Zealand under Article 73 e of the Charter on 31 August 1970 for the year ending 31 March 1970.

1. NIUE

General

6. At 31 March 1971, the population totalled 5,127. Between 400 and 500 Niueans leave Niue each year. In 1970, the deficit between those leaving and returning was 346 compared with 129 in 1969.

Political and constitutional developments

General

7. The constitutional arrangements described in the previous reports remain unchanged. During his visit to Niue in November 1970, the Minister of Island Affairs reaffirmed to the Legislative Assembly and the Executive Committee New Zealand's willingness to proceed with constitutional development if and when the people of Niue request further changes through their elected representatives.

8. In this connexion, it is to be noted that at the 771st meeting of the Special Committee on 6 October 1970, the representative of the administering Power stated that the Niue Assembly had decided to request advice from the New Zealand Government on the different forms their future constitutional development might take. The Niue Assembly had accordingly invited Professor R.Q. Quentin-Baxter, Professor of Jurisprudence and International Law at Victoria University, Wellington, to go to Niue for discussions with the people of Niue. His appointment as Constitutional Adviser to the Niue Assembly and to the New Zealand Government was announced in September 1970.

9. Professor Baxter's report was tabled in the Niue Assembly on 23 March 1971 and was to be debated in April. The New Zealand Government will be giving consideration to the implementation of any recommendations made by the Assembly after the debate.

Local government

10. In July 1967, village councils were constituted in all villages and elected by secret ballot. These councils have powers to assume responsibility for village affairs, including water supply distribution, village hygiene and other community facilities and services.

Public service

11. At 31 March 1971, the number of regular employees in the public service totalled 315, including 48 expatriate staff. These figures include teachers, nurses and others not classified as public servants in New Zealand. There were also 314 casual employees.

Economic conditions

12. Niue's economy is based on subsistence fishing and agriculture, as well as the production of a few cash crops. The rocky nature of much of the island makes it unsuitable for agriculture or animal husbandry. Exports in 1970 were valued at

\$NZ176,764, e/ compared with \$NZ69,988 in 1969, the rise being accounted for by a higher level of passion fruit exports and increases in the volume and price of copra exports. Imports in 1970 amounted to \$NZ748,457 compared with \$NZ771,044 in 1969. Approximately 80 per cent of imports came from New Zealand. In 1970/1971, revenue and expenditure were estimated at \$NZ934,800 and \$NZ2,912,000 respectively. In 1970/1971, aid given by New Zealand amounted to \$NZ972,365.

13. The system of land tenure was prescribed by a bill on 17 December 1968, adopted by the New Zealand House of Representatives as an amendment to the Niue Act of 1966. f/ The Land Ordinance, 1969, codifies the customary land tenure of family ownership with understood rights of occupation and cultivation. The sale of land, other than to the Crown or the Church, remains prohibited. There are small areas of land leased to the Crown and the Church while approximately 3 per cent of the total area of Niue is Crown land. Most of the private leases comprise shop sites.

14. The new airport runway was completed in October 1970, and a regular commercial air service will begin operating as soon as the ancillary facilities, including navigational aids, are ready. This was expected to be in June 1971.

Social conditions

Labour

15. The basic wage rates as at 31 March 1971 were 26.8 cents per hour for unskilled labour and 29.1 cents per hour for wharf labour, with varying scales for skilled labour.

Public health

16. Curative and preventive services are integrated and are provided by the Health Department under the control of a Director of Health who is in turn responsible to the Member of Health for the work of the Department. There are no medical or dental practitioners in private practice. Estimated expenditure on health services during the year 1970 was \$NZ166,500 or \$NZ33.20 per head of population, compared with an expenditure in 1969 of \$NZ174,806, or \$NZ32.96 per person. With a few minor exceptions all medical and dental treatment is free.

17. The new nurses' home and matrons' flat were completed during the period under review and opened by the Governor-General on 14 September 1969. The building is known as the Porrit Nurses' Home. Part of the old quarter and most of the remaining school buildings in the hospital grounds were demolished.

18. In September 1967, an agreement was signed by the World Health Organization (WHO), the United Nations Children's Fund (UNICEF) and the New Zealand Government on behalf of the Niue Government, to provide each village with a piped domestic water supply from bore wells and to improve sanitary facilities in the schools. Work has been virtually completed in six villages and the second stage, which will provide piped water for the other seven villages, has begun.

e/ New Zealand currency is used and the change over to decimal currency was made in July 1967. The present rate is \$NZ1.00 equals \$US1.12.

f/ Niue Amendment Act (No. 2), 1968, No. 132 (Government Printer, Wellington, New Zealand).

Educational conditions

19. Education is free and compulsory between the ages of six and fourteen, and the average duration of attendance is slightly more than ten years. With effect from the 1970 school year, all primary school leavers now attend the Niue High School. There are seven primary schools staffed by Niuean teachers, some of whom hold New Zealand Teachers' Certificates. A modern high school, catering for pupils from forms I to V, is staffed mainly by New Zealand certificated teachers, both European and Niueans. It had 460 pupils in 1971. There were fifteen student teachers at the Teachers' Training College in 1970.

20. At 31 March 1971, thirty-six long-term students, six secondary pupils and five teachers trainees were attending schools in New Zealand under the New Zealand Government Training Scheme. Fourteen trainees were in New Zealand for short-term (in-service) courses in 1970.

21. In December 1970 there were 103 Niuean and fifteen New Zealander teachers in the Territory.

22. Estimated educational expenditure for the year ended 31 March 1970 totalled \$NZ286,800.

2. TOKELAU ISLANDS

General

23. At the end of September 1970 the population of the three Tokelau Islands totalled 1,687.

Political and constitutional developments

24. On 26 October 1967, a bill relating to the Tokelau Islands Public Service and to land in the Territory was adopted by the New Zealand House of Representatives as an amendment to the Tokelau Islands Act, 1948.

25. The New Zealand State Services Commission, which is the controlling authority of the Tokelau Islands Public Service, is empowered to make appointments, to fix the salaries and allowances of employees, and is given the duty of ensuring that there is a proper standard of efficiency in the Tokelau Islands Service. Until 1969, the New Zealand Government servants employed by the Tokelau Administration, by virtue of the Niue Islands Act of 1966, were members of the Niue Public Service and were subject to the rules and regulations relating to that service.

26. During the year under review there were six expatriate teachers and two expatriate building supervisors employed.

Economic conditions

27. The Tokelau Islands Amendment Act, 1967, provides that the indigenous inhabitants may dispose of their land among themselves according to their customs, but they may not alienate land by sale or gift to non-indigenous inhabitants other

than to the Crown. Land holdings pass from generation to generation within the families, being held by the head of a closely related family group, although some land is held in common.

28. The economy of the Tokelau Islands is based on subsistence crops, fishing and the production of copra for export. Revenue is derived from export and import duties, trading profits and the sale of postage stamps. The annual deficit between local revenue and expenditure is met by grants from the New Zealand Government. Total revenue for the year 1969/70 was \$NZ44,589. Expenditure which totalled \$NZ181,719 is mainly devoted to health, education, agriculture and the cost of administration. Financial aid totalling \$NZ484,000 from New Zealand for the triennium 1968/69-1970/71, which was announced early in 1968, was increased further to \$NZ573,000. All revenue is retained by the Territory's Administration. Financial aid for the triennium 1971/72-1973/74 has yet to be announced.

Social conditions

Labour

29. The Tokelau Resettlement Scheme, by which inhabitants of the Tokelau Islands can of their own choice, be resettled in New Zealand over a number of years, was continued. Thirteen families and nine grandparents (related to families already settled) were resettled by February 1971. These totalled fifty-seven persons. To date, 256 people have been resettled, and it is expected that a further 100 or so will come to New Zealand during 1971.

Public health

30. The Government of Western Samoa provides assistance to the medical services of the Territory and regular visits are made to the Islands by its medical staff. There are three Tokelauan medical officers.

Educational conditions

31. School attendance is reported to be very close to 100 per cent. The Tokelau Administration awards scholarships to enable children and public servants to receive secondary education, teacher-training and in-service training in Western Samoa and fourteen were receiving assistance under this scheme at 31 March 1971. Under the New Zealand Government Training Scheme, at 31 March 1971, there were thirty-four long-term students and trainees in New Zealand, including twenty-one secondary school pupils, four at Training College and five nurse trainees. An additional six Tokelauans were being trained in Western Samoa and Fiji, making a total of forty for the Training Scheme. Educational expenditure in 1970/71 was approximately \$NZ26,000.

ANNEX II*

GOVERNMENT OF NIUE

REPORT ON THE CONSTITUTIONAL
DEVELOPMENT OF NIUE

BY

PROFESSOR R.Q. QUENTIN-BAXTER
PROFESSOR OF JURISPRUDENCE AND INTERNATIONAL LAW,
VICTORIA UNIVERSITY, WELLINGTON, NEW ZEALAND

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REPORT TO THE NIUE ISLAND ASSEMBLY ON THE
CONSTITUTIONAL DEVELOPMENT OF NIUE

1. Following my appointment as Constitutional Adviser to the Niue Island Assembly, I visited Niue from 28 November to 19 December 1970. On 30 November, at my first meeting with the Assembly, it was emphasized by several speakers that I had not come to express a New Zealand viewpoint, or to tell the people of Niue what course they should follow. In the words of the Secretary of Maori and Island Affairs, Mr. J. M. McEwen, I was "the Assembly's man". The Leader of Government Business, the Hon. Robert Rex, and other members of the Assembly stressed that any new steps in constitutional development must depend on the wishes of the Niuean people themselves. My task would be to help in clarifying the people's wishes, and to suggest how these wishes could best be carried out.

2. In the days that followed, I had lengthy informal meetings with the members of the Assembly as a group, and with the Executive Committee. I also met the Niue Development Board, the high school teachers, and a representative group of senior Niuean members of the public service. I had many individual conversations with the Resident Commissioner, with other members of the Executive Committee, with government officials and with other prominent people. Moreover, by the Assembly's express wish, I discussed the problems of constitutional development with the people of Niue at well-attended village meetings in all parts of the island. My findings grew out of this constant interchange of views until - at my last meeting with the Assembly, on 18 December - I could offer a summing-up, most of the elements of which were already common ground. In this report I shall state the main conclusions again, adding detail where it seems useful to do so.

Niuean attitudes to constitutional development

3. In the minds of the 1,700 or 1,800 adult inhabitants of Niue, there are three issues of overriding importance. They wish to retain their New Zealand citizenship, for this signifies a guaranteed right of access to New Zealand, where many of their closest relatives already work and live. They also want absolute assurance that New Zealand will keep up its financial and administrative aid to the island, for that alone makes possible an acceptable standard of living. Yet the people of Niue are equally concerned to keep their own identity, their own patterns of living, and substantial control over their own affairs: they know that isolated communities must come to terms with conditions of life in the outside world, but they want the terms they make to be their own terms. Every question of constitutional development in Niue concerns the interplay of these three factors.

4. In 1962, when the Cook Islands and Niue were consulted about their future status, the alternatives presented by the New Zealand Government were derived from those set out in the factors and principles annexed to resolutions 742 (VIII) and 1541 (XV) of the United Nations General Assembly. Constitutional development might lead to independence, or to some other form of self-government, or to integration with New Zealand or with some newly created Polynesian federation. For Niue, as for the Cook Islands, the choice of objectives appeared to be clear. Independence

implied the severing of all constitutional links with New Zealand, and this was simply not acceptable. Merger in a Polynesian federation seemed neither desirable nor possible; and integration with New Zealand was thought likely to involve too great a sacrifice of Niue's own way of doing things. With full assurance that Niueans would continue to be New Zealand citizens and to have New Zealand's financial support, the Niue Island Assembly had no hesitation in deciding that the goal should be internal self-government. Even so, there was a strongly negative reaction to the suggestion that Niue's progress to self-government should be rapid or should follow a pre-arranged time-table. Confidence was not fully restored until 1965, when Professor Aikman and Mr. McEwen recommended a piecemeal approach to constitutional progress, concentrating on the next steps and not on the more distant future.

5. Since 1965 much has been done to implement the recommendations of the McEwen-Aikman report. In particular, there has been a gradual increase in the powers and responsibilities of the Executive Committee and of its individual elected members. On balance, public opinion has accepted these changes, regarding them not as a transfer of power, but rather as a preparation for some future day when the people of Niue might feel ready to take more on their own shoulders.

6. The public debate about constitutional development revived in January 1970, when the Niue Island Assembly decided that the time had come to review progress. At my first meeting with the Assembly, I was told of the people's uncertainty and of their cautious attitude towards change. For that matter, the Assembly itself was by no means committed to the view that there should be any further constitutional changes in the immediate future. The Assembly's first objective was to make sure that the people understood the issues and that Assemblymen knew what their electors really wanted.

7. At village meetings and in other discussions, there was plenty to reinforce the Assembly's tone of caution. Many people considered that it was far too soon to take up again the question of constitutional development. There was, they insisted, no reason at all why Niue should follow in the footsteps of other Pacific Territories, whose situations were quite different from their own. Why should New Zealand, knowing Niue's weakness, wish to force such anxious decisions upon the Niuean people? Was it because of international pressures? Or did New Zealand really hope to escape the burden of continued financial and administrative support? How many steps remained to be taken before the people of Niue would find themselves at the lonely end of the constitutional road?

8. Behind these questions lay a fear that the fixed time-table for constitutional development had never really been withdrawn. It had, they felt, continued to tick away while the people were wrapped in a sense of false security - until now they found themselves unwillingly on the very brink of self-determination. In this state of mind, many people wished to reopen the whole question of moving towards self-government. Niue, they argued, would have been wiser to set its sights on integration with New Zealand; for New Zealand was Niue's lifeline, without which the island could not survive. Other people held staunchly to the goal of internal self-government, speaking appreciatively of what had been achieved in recent years, and deploring any suggestion that it might all be thrown away.

9. For a third - and perhaps the largest - group, this controversy only showed the disadvantages of any choice which Niue might make. They were, it seemed, being

asked to choose between their ties with New Zealand and their freedom to run their own affairs. They needed both - and they already had both. Let Niue, then, remain at its present stage of constitutional development - at least until times were better and the people had more confidence in themselves.

10. I should mention immediately the other main factors which play a part in persuading the people of Niue that they are not ready to take their destiny into their own hands. One such factor is the island's relative isolation and lack of natural resources, and its commitment to a standard of living which its own economy cannot sustain. Another factor is the lure of emigration, because economic and social opportunities are so much greater and more varied in the larger community of metropolitan New Zealand. A third factor is that the people of Niue and their elected representatives are still accustoming themselves to use the legal and constitutional powers they already possess. Each of these factors must be considered; but first it is necessary to clear away the confusion caused by the controversy over self-government or integration.

Future relationship with New Zealand

11. In 1962, when the late Sir Leon Götz, then Minister of Island Territories, consulted the Niue Island Assembly about constitutional development, it was taken for granted by the Minister and the Assembly that integration could only mean the disappearance of Niue as a separate unit of government. This was so obviously not acceptable that the question of integration was not pursued. Yet there lingers on an impression that the Niuean people could reap the advantage of higher New Zealand wage and salary scales and social security benefits simply by choosing integration. Support for this alternative grows when it is felt that the pace of progress towards self-government is too fast. In this way there arises a conflict of public opinion which threatens to halt all constitutional development. It seems to the people of Niue that they are asked to make the impossible choice of sacrificing their own political institutions or depriving themselves of New Zealand's material help.

12. To overcome these fears, it is as well to reiterate where the United Nations stands, and where New Zealand stands, in regard to the exercise of self-determination. For the United Nations - and for New Zealand, whose representatives took an active part in drafting the relevant provisions of the United Nations Charter - it is a matter of high principle that the people of every dependent Territory should end their state of dependency in the way they think best. The United Nations would like this to happen as quickly as possible, and New Zealand has a duty to encourage the Niuean people to work towards the goal of self-determination. Nevertheless, the United Nations is bound to respect the wishes of the people of the Territory concerned, and the New Zealand Government has given firm assurances that the Government and people of Niue retain their right to determine the pace of their constitutional development.

13. It is also New Zealand's duty to make it possible for the people of Niue to choose freely. For that reason, the New Zealand authorities have repeatedly assured the Government and people of Niue that, if they choose to become self-governing, they will continue to receive New Zealand financial and other assistance as they have in the past. Moreover, they will continue to have all the privileges of New Zealand citizens, including free access to New Zealand. These assurances make it absolutely clear that the people of Niue are not being asked to give up

self-government or New Zealand support. They are promised that they may have both, if and when they wish. It would contradict the spirit of these assurances if the people of Niue were encouraged to believe that they would reap a financial bonus by choosing integration instead of self-government; and no such encouragement has been given.

14. What, then, is the distinction between integration and self-government? The United Nations holds that every man and woman has the right to a voice in the government of his own country, and that every people has the right freely to determine its own political status. Niue, as a dependent Territory, is subject to the authority of the New Zealand Parliament; but the people who live in Niue have no vote in a New Zealand electorate. To bring to an end Niue's dependent status, one of two things must happen: either the inhabitants of Niue must become enfranchised as New Zealand voters, or the New Zealand Parliament must assign to the Niue Island Assembly all powers to make laws for Niue. The first alternative is integration; the second alternative is self-government.

15. As self-government was the objective chosen in 1962, the New Zealand Government did not have to consider the alternative of integration; but any proposal to extend the New Zealand franchise would be bound to raise an important question of principle. Moreover, though inclusion in the New Zealand electorate would have value for Niue, its people's tiny voice in New Zealand affairs could never be an effective substitute for its own Assembly and Government, attuned to the special needs of its island community, and making its interests known in New Zealand through the Minister of Island Affairs and his Department. Integration need not, however, be incompatible with Niue's need to keep its own political institutions. At the present stage of constitutional development, the New Zealand Parliament has unlimited legal power to make laws for Niue; but in practice it deals only with a small range of Niuean matters - and then only with full regard to the wishes of the Government and people of Niue. There is in principle no reason why such an arrangement should not continue on some mutually acceptable basis after Niue has ceased to be a dependent Territory; but, before such an arrangement was confirmed, both the United Nations and the New Zealand Government would want to be quite sure that this was the course desired by the people of Niue.

16. The last point under this head takes us back to our beginning. There can be no real constitutional progress if the people of Niue are deeply divided about their basic objectives. In fact, however, there is and has always been broad agreement about these objectives. The people of Niue - whether they now favour integration or self-government - nearly all want a permanent relationship with New Zealand which will keep a balance between local autonomy and the assurance of New Zealand support. It is completely in keeping with the Niuean people's cautious approach to constitutional development that this relationship with New Zealand should grow out of the continued dealings between the two Governments over the whole range of Niue's practical problems. Then the final choice - the act of self-determination - will be for the people of Niue alone; but they will be accepting or rejecting an arrangement which they understand and have experienced.

Problems of economic and social development and of emigration

17. Again and again, at village meetings and in other discussions, attention

turned to Niue's economic problems. Three times in a decade - twice in a single year - hurricanes have devastated the island, bringing its production to a standstill and diverting its limited manpower to tasks of reconstruction. Exports of bananas and kumaras had almost ended because of the ravages of new diseases. It was true that much had been done to meet these problems and to improve conditions. The whole population had been rehoused in concrete block buildings designed to withstand hurricanes. A large experiment was being conducted to combine the replanting of coconuts with the raising of beef cattle. Limes and passion fruit were new and very promising export crops. Planters had the backing of the agricultural extension service, free propagative material and access to loan finance. There was hope for the future; but many argued that constitutional progress should wait until economic progress was an accomplished fact.

18. This is an order of priorities which most people could accept, if Niue's economic problems were only those of conquering a difficult physical environment. In fact, however, economic and social issues are, as usual, bound up together. A poor, rocky soil, which needs to be rested for seven or more years after raising one subsistence crop, is not only a baffling problem for the agricultural scientist; it also affects people's attitudes towards farming and their preference for other ways of earning their living. Hurricanes and crop failures do not merely cut current production; they also reduce some farmers' enthusiasm for trying again. Better educational standards produce more able people, but these people want kinds of work and levels of income they feel to be commensurate with their abilities.

19. As in many other developing countries, the Government is the only substantial employer of labour in Niue. It is well recognized that public servants as a group are one of the most vital and stable elements in the population. They tend to be leaders in the affairs of their villages, and also to be among the more successful planters. Understandably, some Niuean public servants feel it to be unjust that they receive less money than the man imported from New Zealand to fill a comparable post. Yet the position of the established Niuean public servant appears enviable to many other Niueans, who have no regular income to supplement their subsistence farming, or to cushion their dependence on the sale of crops to pay off housing loans.

20. Comparisons with living standards outside Niue are even more significant. The people of Niue know that, at worst, their material circumstances compare favourably with those of many other places. Niue is uncrowded, has an excellent health service, and a level of education which is high by Pacific or by average world standards. Everyone is adequately housed: no one is hungry. There is an open door to New Zealand; and many who stay in Niue receive some financial benefit from relatives who are living and working in New Zealand.

21. New Zealand is a magnet which draws away from Niue everyone who finds his prospects in the island less attractive than the amenities of city life and assured employment at New Zealand's comparatively high wage rates. Niuean communities in New Zealand do not lose their identity or their affection for their island, but those who become established in New Zealand seldom return to live in Niue. Far more often they provide the passage money and a home in New Zealand for more and more of their relations. In the calendar year 1969, 38 deaths and 208 births were recorded in Niue. The net loss of population through emigration was less than the natural increase, but the two figures were drawing together. About 60 per cent of the population of Niue is under 20 years of age. Many of the

senior pupils of the Niue High School see their future as probably being in New Zealand.

22. This is the heart of Niue's problem - to reconcile its people's desire for access to New Zealand with their need to preserve a healthy community in Niue itself. It is encouraging that some of Niue's ablest and most valuable people are not leaving the island, but are providing leadership at home as politicians and as public servants and as farmers. It is less reassuring to hear that some prospective emigrants are delayed only by the need to repay debts or find passage money. In emergencies caused by hurricanes, manpower requirements have led to temporary restrictions on emigration. Some would feel that in the interests of the community there should always be such restrictions: some others are anxious lest self-government should pave the way for such restrictions.

23. There seems little point in pursuing either of these lines of reasoning. It is acknowledged as a basic human right that a man may leave any country, including his own. The people of Niue attach so much importance to this right that they would not allow it to be whittled away. Moreover, it would produce more problems than it solved to confine unwilling people to subsistence agriculture. To survive as a community with a normal spread of age-groups, Niue must be able to offer its people working and living conditions which they find as good as - or better than - life in New Zealand. That is an objective which all of the people of Niue share; and it provides a key to many of the views expressed about constitutional development.

24. Partly because of small numbers and limited resources, and partly because its people have another place to go, the Niuean community is exceptionally fragile. It has next to no prospect of any sudden or dramatic economic advance: it must look for prosperity through the most careful balancing of economic and social development. Often it must spend money - mainly New Zealand money - without hope of quick returns. The recently completed airfield is perhaps a good example of the long view which has to be taken. The job provided paid employment for a small work force: its speedy completion at very moderate cost was a tribute to the efficiency of government administration and Niuean workers. The airport will end Niue's isolation; improve the frequency of its mails; make a banking service possible at some future time; reduce delays in obtaining spare parts for working machinery; and simplify health administration because difficult cases can more readily be evacuated. Yet it will be necessary to provide hotel accommodation, and to make other provisions to interest visitors, before the airport investment yields a small financial return.

25. Even when a project is designed to contribute directly to the economy - as in the case of the coconut replanting scheme - the aim can be endangered both by technical problems and by an insufficient public response. In social matters also, it is hard to reach the break-even point. In spite of all the improvements made in recent years, there are still wide differences between the amenities of a Niuean village and those of any New Zealand community. Differences in the remuneration and housing of local and imported public servants are symptomatic of the same uncomfortable comparison. Margins such as these cannot be eliminated, but it needs a maximum effort on both Niue's and New Zealand's parts to keep them within tolerable bounds.

26. Those are some of the reasons for the average Niuean's cautious approach to constitutional development. He knows that any lessening of New Zealand's interest,

or any loss of efficiency through changes in administrative responsibilities, can undermine confidence and upset the delicate balance of life in Niue. Therefore he asks for economic progress first. The people of Niue are also quite conscious of the very large extent to which New Zealand subsidizes the island's economy, and of their dependence on the maintenance of this subsidy. They would naturally like to feel that their claim to New Zealand assistance had some basis other than charity, and that feeling is reflected in some of the references to integration.

27. There is a temptation to argue that, as New Zealand is the real paymaster, lower wages and less social security benefits are a penalty which Niue incurs for the luxury of having its own Government. Carried to its logical conclusion, this argument would destroy Niue as a community. If Niueans had an automatic right to receive New Zealand wage rates and social security benefits, the Niue Government and Assembly would have no control over a large proportion of New Zealand's expenditures on the island. There would, furthermore, be even less local revenue than at present, because the value of social security benefits would be out of proportion to the value of agricultural production. Not everyone understands these consequences. Yet everyone does agree that life in Niue demands special conditions and local rules which do not apply in New Zealand itself.

28. The strength of Niue's case for continued New Zealand assistance in fact depends on its people's willingness to put the interests of their community first. If Niueans simply want for themselves the conditions of life they find in New Zealand, their remedy is to go to New Zealand; but if they are trying to build a life on their own island in the face of New Zealand competition, they have much more than a charitable claim to New Zealand's financial support. Apart from all other considerations, no community can be expected to pay its own way if it has more children than adults and steadily loses a very high proportion of men and women in the productive age groups. The life of Niue is bound up inseparably with the life of New Zealand; but this does not mean that the conditions of life in the two places can ever be the same. It means only that Niue's future depends on the vitality of its own political institutions and on very substantial New Zealand support.

Problems of constitutional development

29. And so - though Niue's circumstances are no doubt very different from those of larger countries and Territories - there is one lesson of universal application. Constitutional and political development is the life-blood of any society, and it cannot be left aside until economic and social and educational development has taken place. This is not a matter of outside pressures forcing the people of Niue to advance more quickly than they wish. The pressures come from the situation in which Niue finds itself. Because of the attractions of life in a larger country, the tide of Niue's human resources is in danger of running out. The remedy depends on self-help in the field of constitutional development, as well as on outside help in other fields. More and more, the relationship between Niue and New Zealand must be a relationship between Governments. Niue will, of course, continue to need educational, technical and administrative assistance from New Zealand, as well as financial aid; but it must speak with its own voice, through its own elected representatives.

30. The foundation of parliamentary government has been well laid. Democracy in

Niue is close to the classical ideal. Each of the 14 villages has its own Assemblyman, who is known to every villager. It is customary for public affairs to be discussed at weekly village meetings; and - as the special meetings on constitutional development have shown - the extent of public interest and involvement is greater than could be achieved in larger, more affluent societies. The proceedings of the Niue Island Assembly are broadcast on the island's radio station, and are listened to in every village.

31. For nearly 10 years the Niue Island Assembly has had full budgetary authority, being responsible for the appropriation and control of all New Zealand financial grants as well as for local revenue. The Assembly's power to make laws for Niue is, for practical purposes, almost unfettered. Since 1962 it has elected three or four of its own members to share with the Resident Commissioner in the making of executive policy. As recommended in the McEwen-Aikman report, this Executive Committee has gradually assumed a larger role. A leader of Government Business, elected from its membership, is responsible to the Assembly for the work of the Executive Committee and of the secretariat which serves the Committee. Moreover, the individual members of the Executive Committee have been associated with the work of particular government departments, and speak on behalf of those departments in the Assembly.

32. More recently, the Resident Commissioner, acting on the instructions of the Minister of Island Affairs, has delegated to the Executive Committee - and in smaller matters to its individual members - the authority to approve government expenditures. With this last step, the Government of Niue has quietly - almost imperceptibly - come of age. Within the framework of laws made by the New Zealand Parliament, it is now possible for the elected members of the Executive Committee to take all policy decisions; and, in relationship to their departments, their role corresponds to that of Ministers. It is, however, hardly within the consciousness of anyone in Niue that a real transfêr of power has taken place.

33. Some of the reasons for this state of affairs have already been described. There is among the whole population of Niue a very strong sense that they depend upon New Zealand, and that their own institutions of government are at most the icing on the cake. Traditionally, the Niuean puts the interests of his village before those of the island as a whole. He is no great respecter of constituted authority; but, when differences have to be settled, he often prefers to leave the decision to an outsider. Perhaps the people of Niue do not yet appreciate sufficiently how much has been accomplished by the Assembly - and by its predecessor the Island Council - in helping to create a national outlook and island-wide loyalties.

34. All parliamentarians must expect public criticism, and the members of the Niue Island Assembly receive their share. It seems, however, that they are sometimes blamed for patterns of conduct which are more or less imposed upon them by their electors. Too often an Assemblyman will say, in relation to the matter under discussion, that whatever the Executive Committee decides will be acceptable to him. Too often in the past - though less in the recent past - the elected members of the Executive Committee have looked to the Resident Commissioner to give a lead, or to resolve some question on which they are not united. Occasionally a Niuean politician will feel that he must urge New Zealand or its representative to take some step, not because it is constitutionally necessary, but because a New Zealand initiative will more readily be accepted than a local one.

35. This is a situation which saps the strength of democratic institutions. The Assembly becomes a machine for acting on the measures put before it. The Executive Committee depends too heavily on the Resident Commissioner, and on the administration, to provide the motive power to keep the machine ticking over. The electors are confirmed in the belief that parliamentary government is a mere frill; but it is their own outlook which produces the result they criticize. The remedy is to insist that local decisions be taken by the elected representatives of the people of Niue. The Resident Commissioner is there to explain the New Zealand viewpoint if that is necessary, to obtain and present information or expert advice not available locally, and to ensure that policy decisions are carried out efficiently by the Administration. In the future, however, it should not be the Resident Commissioner's task to resolve a deadlock in the Assembly about the election of an Executive Committee member. The elected representatives of the people must find a majority among themselves: if they cannot do so a new Assembly must be elected.

36. The same principles apply to decisions of the Executive Committee. The Resident Commissioner remains a member, so that his advice is available in matters of more than local interest, and so that he has the necessary information to ensure that Committee decisions are implemented. The decisions should be made by the elected members of the Executive Committee, who must answer to the Assembly for the course they follow. Once it becomes clear to the electors that it is their representatives who decide whether schools will be built, or roads improved, or electric power extended, there should be a more positive popular feeling about the importance of the Assembly and of the Executive Committee.

37. There is, however, a need for two changes in the governing provisions of the Niue Act. First, there should be conferred upon the Executive Committee the powers and responsibilities which it now receives only by delegation from the Resident Commissioner. This alteration is one of spirit, not of substance. It would make it clearer that the policy-making power comes from the people of Niue, to whom the elected members of the Executive Committee are ultimately responsible, not from the New Zealand Government.

38. The other essential change is in the method of choosing the Executive Committee, whose members are at present elected individually by the Assembly. This suited the Committee's original purpose, which was to establish regular consultation with the Resident Commissioner in regard to executive policy. In due course, however, it became necessary for the members of the Executive Committee to work more as a team, pursuing a common policy and accounting for that policy to their colleagues in the Assembly. To make this possible, the McEwen-Aikman report recommended that the Assembly should name as Leader of Government Business one of the four members it had already elected to the Executive Committee. Other members of the Executive Committee would speak in the Assembly for the work of the particular government departments with which they were associated, but the Leader of Government Business would speak for the work of the central secretariat and for the Executive Committee as a whole.

39. For five years, the "Member System", introduced on the advice of the McEwen-Aikman report, has made its contribution to constitutional development. Members of the Executive Committee have become accustomed to taking responsibility in the Assembly for the work of the departments with which they are associated. The Leader of Government Business has fulfilled functions which previously belonged only to the Resident Commissioner. Moreover, the delegation to the Executive

Committee of the Resident Commissioner's power to approve expenditure has compelled the Executive Committee to exercise its collective judgement, whatever differences of opinion there may be among its individual members. Yet the Leader of Government Business is not legally or constitutionally in control of the policies of the Executive Committee. Its decisions are required to be taken by majority vote. Its individual elected members have no obligation of loyalty to the policies which the Executive Committee approves, for each member owes his position to a separate vote of the Assembly, and is entitled to maintain his dissenting opinion while remaining in the Executive Committee.

40. These provisions are a relic of an earlier stage of constitutional development, and they should now give way to the arrangements which are normal in any system of parliamentary government. The Leader of Government Business should have the right to choose his own team. The policy decisions of the Executive Committee should be reached, not by any formal voting procedure, but by a consensus to which each of the four owes a duty of loyalty. In exceptional cases - especially in matters of conscience - the Executive Committee may release one of its members from this duty of loyalty, allowing him to explain his dissenting opinion publicly and in the Assembly. As a general rule, however, a member must give up his position on the Executive Committee as soon as it becomes clear to his colleagues that he is no longer in sympathy with their policies.

41. Under the British system of government, it is traditionally the duty of the Queen's representative to choose the person most likely to command parliamentary support. In countries which have a party system, this choice is seldom a difficult one; but there seems no sufficient reason why the Resident Commissioner of Niue should be saddled with the delicate responsibility of nominating a Leader of Government Business. It is better that the Assembly should continue to elect the Leader of Government Business, leaving it to him to choose his three colleagues. It is important to stress that this is not a departure from democratic principles: in fact it brings to life the whole process of democratic government. The Leader of Government Business and his three colleagues can remain in office only while they have the support of a majority in the Assembly. The Leader must therefore choose a team which is acceptable to the Assembly; and the members of the Executive Committee must constantly keep in touch with other Assemblymen to ensure that there is understanding of, and support for, the Executive Committee's policies. This greatly increases the influence of the individual Assemblyman, and should improve his standing in the eyes of his electorate.

42. There need be no other changes in the formal arrangements which govern the work of the Executive Committee. If the membership were enlarged, it would tend to become disproportionate to the size of the Assembly, and there would be greater difficulty in achieving a common policy. The present designation of the members, and the strict limits on their individual authority, are completely in keeping with the need to emphasize collective responsibility. A committee of four, none of whom can take important decisions without the concurrence of other committee members and the confidence of the Assembly, gives the electors the assurances they need.

43. The affairs of the Island are not too large to be managed in this way; but it must be recognized that there will be more work for the members of the Executive Committee to do. They must, for example, consider all draft government legislation before it is introduced in the Assembly. They must sometimes take

longer to arrive at decisions because they will now be more closely bound by the principle of collective responsibility. They must each be prepared, if necessary, to spend more time in listening to the views and anxieties of other Assemblymen, and of small interest groups among the electors. While in office, they should not be permitted to be away from Niue without the leave of the Assembly; and, except when there is some important public interest to be served, not more than one should be away from duty in Niue at any given time. The introduction of a regular air service will make it easier to apply rules of this kind; but there should perhaps be provision for temporary additional appointments to the Executive Committee, when sickness or absence on essential government business has caused its effective membership to fall below three.

44. The Resident Commissioner is at present a member of the Executive Committee. He receives committee papers, and whether he takes part in any particular meeting depends on his own judgement - or the judgement of the other members of the Executive Committee - that his presence would on that occasion be useful. It is, however, already an established practice, which needs no special legal authority, for the Leader of Government Business and the other elected members of the Executive Committee to meet on their own as often as is convenient or necessary to iron out a common policy. There is no need to interfere with these arrangements. The Executive Committee has legal powers which derive from the Niue Act or from local legislation; and it is appropriate that the Resident Commissioner should be identified with the formal exercise of these powers. Again, there are many occasions when elected members of the Executive Committee seek information or advice from the Resident Commissioner, and there may be other occasions when the Resident Commissioner feels he should offer such information or advice.

45. Most important of all, it is through his association with the Executive Committee that the Resident Commissioner has knowledge of executive policy and can ensure that it is carried out at the administrative level. Some of the concern expressed at village meetings centred on the idea that further constitutional progress would entail a loss of administrative efficiency. This fear is legitimate, because the administration of Niue is too small to be chopped up into a number of completely self-contained departments. Just as there is need for emphasis on collective responsibility for policy decisions, so there must be a single point of responsibility for administrative action. To meet this need, it was envisaged in the McEwen-Aikman report that there should be a new senior administrative post of Secretary to the Government. This suggestion was not acted upon, partly because of the difficulty of establishing the job content for an additional senior position, and partly because the people of Niue have such strong reservations about any reduction in the Resident Commissioner's role.

46. The proper limits of his role will be more sharply defined when the forms of the law catch up with the present constitutional position. In legal theory the Executive Committee is merely the delegate of the Resident Commissioner himself, and he in turn is responsible solely to a New Zealand Minister. In constitutional reality the four elected members of the Executive Committee are responsible to the Assembly which chose them, and through the Assembly to the people of Niue. The Resident Commissioner is obliged to be guided by the Executive Committee's decisions - unless, in an extreme case, the New Zealand Parliament or Government feels compelled to assert its overriding powers.

Other provisions of the Niue Act

47. The distinction between legal form and constitutional reality is also relevant to a consideration of other provisions of the Niue Act. The people of Niue understand that the New Zealand Parliament has the ultimate legal power to act for Niue in whatever way it thinks fit. There is not much room for doubt that most Niueans consider this is a useful safeguard at the present stage of their constitutional development; but they do think of it only as a safeguard - a power to be used in extremity, or in accordance with the ascertained wishes of the people of Niue. The Niue Act has, indeed, assumed its proper place as a constitutional document: it is regarded, not so much as a restriction on the powers of the Niue Island Assembly, but as a fundamental law which should be less easy to change than a locally enacted ordinance.

48. This state of affairs has a special value for a very small community which needs outside guarantees that its own institutions will remain honest and impartial. So, for example, under the provisions of the Niue Act, the Audit Office of New Zealand audits all of Niue's public accounts and reports its findings to the Government of Niue. So, also, the New Zealand State Services Commission controls the Public Service of Niue - a function so important in the life of the island that it calls for further comment in later paragraphs of this report. There is every indication that the Assembly and the people of Niue wish to keep - and even to extend - this kind of safeguard.

49. In Niue, as in New Zealand itself, there is already precedent for an independent inquiry to fix the levels of remuneration of parliamentarians. The practice is a good one. A reasonable increase in remuneration is probably due - especially to members of the Executive Committee whose duties will be more responsible and more time-consuming. Such an increase would be easier for the electorate to accept, if the terms of remuneration and of any other official entitlements were settled, after independent inquiry, under the authority of New Zealand legislation.

50. The extreme case of a difference between legal form and constitutional practice concerns education. Section 30 of the Niue Act, 1966 makes the New Zealand Minister of Island Affairs solely responsible for the establishment of schools in Niue, and it confers on the New Zealand State Services Commission an unqualified discretion as to the staffing of such schools. This provision, which derives from much earlier legislation, is written as if there were no government of Niue. Yet in practice education is - as it should be - one of the foremost concerns of the Niue Island Assembly and Executive Committee. Education is a large head of public expenditure, and the funds needed to meet this expenditure are appropriated by the Assembly. One of the members of the Executive Committee takes responsibility in the Assembly for the work of the Education Department of the Niue Government, and there is a sound working relationship between the politicians and the administrators. There is also a lively public interest in improved standards of education.

51. Section 30 has not been an obstacle to constitutional progress, because it has been sensibly administered. It should be changed, because any out-of-date provision of this kind makes it a little easier for a teacher or other public servant to believe that he is an outpost of a New Zealand organization, not a servant of the Government and people of Niue. Even so, there is still an important

role for Section 30. Niue depends on New Zealand, not only for financial aid to education, but also for substantial help in staffing, administering and developing its school system. With relatively large numbers of children to educate, this dependence will not be overcome easily or quickly. The goals of educational policy raise questions outside the scope of this report, but there will clearly be a continuing need for the utmost collaboration and goodwill between the education authorities in Niue and in New Zealand. Section 30 should set the tone of this relationship, by recognizing New Zealand's responsibility to assist Niue within the framework of her growing constitutional status.

52. Similar issues arise in relation to Part XXXI of the Niue Act, establishing the Niue Public Service; but in this case the problems are larger and more pressing. The Public Service has an important place in the constitutional welfare of any country, but in Niue it is the very heart of the country. It includes everyone, local or imported, who is paid a salary from public funds as a nurse or teacher or administrator or policeman or road-mender. As noted in earlier sections of this report, the Public Service is the main source - at present the only considerable source - of regular paid employment on the island, and public servants are the most stable and influential section of the Niuean community. Their sense of commitment to the island can very well be the critical factor in every scheme of economic, social and constitutional development.

53. It is not doubted in Niue that public service appointments, promotions and gradings should be made independently of political influence; and that the authority which makes these appointments should be New Zealand based. The State Services Commission was the obvious and only possible choice, because it has the necessary experience, and because it can help in finding New Zealand appointees when there is no suitable Niuean to fill a vacant post. The Commission is, however, far removed from the Niuean scene, and it has no statutory duty to take account of the policies of the Government of Niue. Poor shipping connexions have sometimes limited or delayed the visits of commission representatives to the island; and, although the Resident Commissioner acts as the local representative of the State Services Commission, its power of delegation has been exercised sparingly. It would seem that the Resident Commissioner's powers and discretions in public service matters have been less than those of the Commission's delegates in outlying New Zealand centres.

54. This situation has produced an incongruous result. On the one hand, the power to make laws and to commit public moneys has passed substantially into Niuean control. On the other hand, the Public Service has remained under a remote control, which has not developed the means to be fully responsive to Niuean conditions and policies. Because many Niuean public servants are leaders in their own community, this weak point in law and administration has contributed to the confusion about constitutional goals. To some people in Niue, the State Services Commission's distant grip on the Niue Public Service has seemed to be proof that New Zealand was still managing Niue's affairs behind the facade of local parliamentary institutions.

55. To conform with the present constitutional position, Part XXXI of the Niue Act should be amended to provide that, in administering the Niue Public Service, the State Services Commission will take account of the policies of the Government of Niue, and will report on aspects of general administration to the Executive Committee. With the beginning of regular air services, it may be possible for

commission representatives to visit Niue more frequently. In any case, it is desirable that there should also be a greater delegation of authority to the Resident Commissioner.

56. Before leaving this topic, I would like once again to emphasize that many situations which are of critical importance in Niue's development have a public service context. From the ranks of the public servants, present or past, are drawn a high proportion of Niue's leaders. On the regular employment which the Public Service offers, depends Niue's strongest hope of retaining the best of its own young people. For many of the more senior positions, Niue must still draw upon New Zealand staff. With New Zealand help, it must provide the modest financial inducements that seconded staff require to move their families and to maintain their living standards. Yet even these small inducements tend to create a contrast between the material circumstances of the Niuean and of the seconded officer. It is therefore all the more important that the best qualified and most capable Niuean public servants should achieve the same level of financial reward as officers borrowed from New Zealand. The value of the former to Niue is greater than that of any seconded officer of equal attainment.

57. There is one point to be mentioned. Except when dealing with serious criminal cases, which are rare, it has been the practice to expect the Resident Commissioner to serve as Judge of the High Court of Niue in both civil and criminal matters. The volume of work has not been great, and there is no sense of dissatisfaction with the quality of the justice administered. In 1965 the McEwen-Aikman report noted that there seemed no alternative to the present arrangements, for the time being at least. There will, however, be a case for reconsidering these arrangements when a regular air service begins, later this year. It is in principle desirable that the judge should have professional qualifications and experience; and the Resident Commissioner might well be relieved of the one role which can easily be separated from his other duties and responsibilities.

Conclusion

58. To sum up, the people of Niue are, and seem always to have been, united about the main requirements of their constitutional development. These are to keep their New Zealand citizenship and right of access to New Zealand; to be sure of continued financial and administrative support from New Zealand; and yet to achieve substantial control of the affairs of their own island. Anxieties and disagreements occur when the Niuean people feel that they are being forced to choose between their relationship with New Zealand and their control of their own affairs. In this way there arose the controversy over integration or self-government, and the very strong sentiment for making no move at all until times were better. Other discouraging factors are the island's economic problems and limited employment opportunities, which slow down the rate of social development and increase the flow of migrants to New Zealand.

59. The first step is to reassure the people that there is no question of their being asked to give up any of their three main requirements for constitutional development: nor is there any question of their being forced to take decisions before they are ready. They have absolute assurances from the New Zealand Government on all of these counts; and from the United Nations standpoint the

wishes of the people of Niue are paramount. Integration and self-government are not two opposing choices about which a binding decision has to be made now. It is open to the Government and people of Niue to work out a satisfactory relationship with New Zealand, while they are still building up their own institutions of government. In the end, the final choice will be theirs alone. The time for that choice is when the people of Niue have tried out in practice the arrangements they are approving or rejecting.

60. Why, then, should constitutional development not wait until further progress has been made in the economic and social and educational spheres? The reason is that these other forms of development, though very important, cannot by themselves solve Niue's problems. If the small community of Niue is to have a life of its own, and to resist the drift of population, it must build up its own institutions of government. These in turn can give the people of Niue the will to make progress, with New Zealand assistance, in the economic, social and educational fields. Already the basis of democratic government has been laid. The Niue Island Assembly makes the laws and controls the budget. The Executive Committee has the legal and constitutional authority to make policy. The main need is to consolidate past progress - to make use of powers already achieved; and this suits the cautious mood of the people.

61. The recipe, therefore, is to change nothing which might undermine the confidence of the Niuean people, but to push ahead with the reforms which help them to take control of their own decision-making. The Resident Commissioner's role in the Assembly is important as the proof of New Zealand's continued involvement and as a forum in which to explain New Zealand's views. His place in the Executive Committee is also important, because it enables him to maintain the efficiency of government administration. In neither case, however, should the Resident Commissioner be asked to take part in the making of local policy decisions. This should be done by the other members of the Executive Committee who are responsible to the Assembly, and by the members of the Assembly who are responsible to the people. The legislative changes needed are not large; but the New Zealand Government should be asked to promote, in particular, the following changes in the provisions of the Niue Act:

- (a) To confer on the Executive Committee the powers which it already exercises by delegation from the Resident Commissioner to conduct the executive government of Niue.
- (b) To provide that the Assembly will in future select the Leader of Government Business, leaving him to choose three other Assemblymen as his colleagues in the Executive Committee, so that the principle of collective responsibility is observed.
- (c) To amend the provisions of the Niue Act relating to the control of the Niue Public Service, and of education, so that they conform with the stage of constitutional development which Niue has already reached.

ANNEX III*

REPORT OF SUB-COMMITTEE II

Chairman: Mr. Mohammad Hakim ARYUBI (Afghanistan)

A. Consideration by the Sub-Committee

1. The Sub-Committee considered the Territories of Niue and the Tokelau Islands at its 129th to 131st, 133rd, 134th, 138th and 139th meetings between 10 June and 5 August 1971 (see A/AC.109/SC.3/SR.129 to 131, 133, 134, 138 and 139).
2. The Sub-Committee had before it the report of Professor R.Q. Quentin-Baxter, Constitutional Adviser to the Niue Island Assembly (see annex II to the present chapter), and the working paper prepared by the Secretariat (see annex I to the present chapter).
3. In accordance with established procedure, the representative of New Zealand, as the administering Power concerned, participated in the discussions of the Sub-Committee at the invitation of the Chairman.

B. Adoption of the report

4. Having considered the situation in the Territories of Niue and the Tokelau Islands, and having heard statements by the representative of New Zealand as the administering Power concerned, the Sub-Committee adopted its conclusions and recommendations on the Territories at its 139th meeting on 5 August 1971. a/
5. The Sub-Committee adopted the present report at the same meeting.

* Previously issued under the symbol A/AC.109/L.727.

a/ The conclusions and recommendations submitted by Sub-Committee II for consideration by the Special Committee were adopted by the latter body without modification. They are reproduced in paragraph 9 of this chapter.

CHAPTER XVI

GILBERT AND ELLICE ISLANDS, PITCAIRN AND THE SOLOMON ISLANDS

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, inter alia, to refer the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands to Sub-Committee II for consideration and report.
2. The Special Committee considered the item at its 821st and 822nd meetings, on 27 August and 1 September.
3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2621 (XXV) of 12 October 1970, containing the programme of action for the full implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, and resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 14 of resolution 2708 (XXV), the General Assembly requested the Special Committee "to continue to pay particular attention to the small Territories, and to recommend to the General Assembly the most appropriate methods and also the steps to be taken to enable the populations of those Territories to exercise fully and without delay their right to self-determination and independence". The Special Committee also took into account other resolutions of the General Assembly, particularly resolution 2709 (XXV) of 14 December 1970 concerning 25 Territories, including the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands, by paragraph 8 of which the General Assembly requested the Special Committee "to continue to pay special attention to these Territories and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution".
4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action previously taken by the Special Committee as well as by the General Assembly, and on the latest developments concerning the Territories.
5. At the 821st meeting, on 27 August, the Chairman of Sub-Committee II, in a statement to the Special Committee (A/AC.109/PV.821), introduced the report of that Sub-Committee concerning Gilbert and Ellice Islands, Pitcairn and the Solomon Islands (see annex II to the present chapter).
6. At its 822nd meeting, on 1 September, the Special Committee adopted the report of Sub-Committee II and endorsed the conclusions and recommendations contained therein. These conclusions and recommendations are set out in paragraph 8 below.

7. On 2 September, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations for the attention of his Government.

B. DECISIONS OF THE SPECIAL COMMITTEE

8. The text of the conclusions and recommendations adopted by the Special Committee at its 822nd meeting, on 1 September, to which reference is made in paragraph 6 above, is reproduced below:

(1) The Special Committee reaffirms the inalienable right of the peoples of Gilbert and Ellice Islands, Pitcairn and the Solomon Islands to self-determination in conformity with the Declaration contained in General Assembly resolution 1514 (XV) of 14 December 1960.

(2) Fully aware of the special circumstances of geographical location and economic conditions that exist in regard to these Territories, the Special Committee reiterates its view that the question of their size, isolation and limited resources should in no way delay the speedy implementation of the Declaration in these Territories.

(3) The Special Committee expresses its serious concern that a representative of the administering Power was not present during discussions concerning these Territories. In this regard, the Special Committee urges the Government of the United Kingdom of Great Britain and Northern Ireland to reconsider its position and to co-operate with the Committee by supplying it with supplementary information so as to assist the Committee to formulate its conclusions and recommendations.

(4) With regard to constitutional developments, the Special Committee notes the new Constitution that has been drawn up for the Gilbert and Ellice Islands in the light of the recommendations of a select committee of the former House of Representatives. Because of the absence of further information provided by the administering Power, however, the Special Committee has not been in a position to evaluate fully the progress made in this important area. In this connexion, the Special Committee would also welcome more information on the results of the 1971 elections in that Territory.

(5) The Special Committee shares the concern expressed in December 1970 by the House of Representatives of the Gilbert and Ellice Islands regarding the slow rate at which local officers are replacing expatriates and the failure of the Government to draw up and publish a comprehensive plan and time-table for complete localization of the public service. It notes in this connexion that the administering Power had expressed a hope that such a plan would be produced early in 1971. The Committee would welcome further information on this subject.

(6) The Special Committee notes that the economy of the Gilbert and Ellice Islands is still based mainly on phosphate mining on Ocean Island and, in this regard, it also notes that there has been a slight increase in the proportion of revenue allocations resulting from phosphate enterprises. Nevertheless, the Ocean Island deposits are expected to be exhausted within 10 years and the Special Committee would therefore welcome information

concerning the economic situation which will obtain in the Territory when the phosphates are depleted and what steps are envisaged to prevent this from having unfortunate consequences on the welfare of the population. It also invites all those concerned with the study on all aspects of the extraction and marketing of phosphate on Ocean Island to co-operate fully with the Secretary-General so as to permit him to complete the study and report on it as soon as possible.

(7) Noting that the Wholesale Society, which appears to have a monopoly of imports and internal trade in the Gilbert and Ellice Islands, has undergone a reorganization and expansion of activities, and recalling its previous conclusions on this subject, the Special Committee invites the administering Power to furnish it with more specific information as to the composition and operations of the Wholesale Society, in particular the composition of the Society's capital and the nature of its privileges.

(8) With regard to the new Solomon Islands Constitution which came into force in April 1970, the Special Committee notes that although there is an elected majority in the legislature, one third of its members remain ex officio. Moreover, the High Commissioner retains extensive control, and in certain matters his decisions prevail over those of the Governing Council. The Committee, therefore, reiterates its previous recommendations that the administering Power should transfer full responsibility of government to the representatives of the people in accordance with the Declaration contained in General Assembly resolution 1514 (XV) of 14 December 1960.

(9) The Special Committee endorses the motion adopted by the Governing Council calling for the drawing up of a time-table of constitutional and economic developments leading to the independence of the Solomon Islands. It welcomes this as a sign of the political maturity of the Territory.

(10) The Special Committee welcomes the continuing co-operation between the administering Power and the specialized agencies which are of great value in developing the technical knowledge of the Territories' inhabitants.

(11) With regard to the educational situation in the three Territories, the Special Committee is not encouraged by the information which it has received. It continues to be concerned at the conditions prevailing in the Territories. The need for substantial upgrading of education is obvious. The Committee urges the administering Power to accord greater importance and support to secular education in the Territories.

(12) Mindful of the consultations which have taken place on the question of sending visiting missions to the Territories, the Special Committee again stresses the importance which it attaches to the dispatch of such missions to these Territories. It is only through direct contact that the true attitude, aspirations and wishes of the people can be ascertained. The Special Committee urges the administering Power to reconsider its position concerning visiting missions and to allow a mission to visit these Territories.

ANNEX I*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.714 and Add.1.

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

1. The Gilbert and Ellice Islands, Pitcairn and the Solomon Islands have been considered by the Special Committee and the General Assembly since 1964. The Special Committee's conclusions and recommendations concerning the Territories are set out in the reports to the General Assembly at its nineteenth and twenty-first to twenty-fifth sessions. a/ The General Assembly's decisions concerning the Territories prior to 1970 are contained in resolutions 2069 (XX) of 16 December 1965, 2232 (XXI) of 20 December 1966, 2357 (XXII) of 19 December 1967, 2430 (XXIII) of 18 December 1968, and 2592 (XXIV) of 16 December 1969.
2. After considering the Territories in 1970, b/ the Special Committee adopted the following conclusions and recommendations:

"(1) The Special Committee notes the statement of the representative of the administering Power that certain steps have been taken to revise the 1967 Constitution of the Gilbert and Ellice Islands. It notes further that on 10 April 1970 a new Constitution came into effect in the Solomon Islands and that, as a result, general elections were held in May and June of that year. The Special Committee considers, however, that even with the introduction of these measures, the constitutional systems in these Territories fall short of earlier recommendations which it has made to the administering Power. It therefore reiterates its recommendation that the administering Power should transfer full responsibility of government to the representatives of the people in accordance with the Declaration contained in General Assembly resolution 1514 (XV) of 14 December 1960.

"(2) The Special Committee notes the statement of the representative of the administering Power that the arrangements for the production and sale of phosphate were reviewed at a meeting held at Suva in March 1970 between the Governments of Australia, New Zealand and the United Kingdom, and that the question of the proportion of revenue allocations resulting from phosphate enterprises was not discussed at the meeting. Recalling that the right of the peoples and nations to self-determination includes permanent sovereignty over their natural wealth and resources, the Special Committee expresses the hope that necessary steps will be taken by the administering Power and by the two other partner Governments of the British Phosphate Commissioners to ensure the full interest of the people of the Territory in question.

a/ Official Records of the General Assembly, Nineteenth Session, Annexes, Annex No. 8 (Part I) (A/5800/Rev.1), chap. XX, paras. 89-96; *ibid.*, Twenty-first Session, Annexes, addendum to agenda item 23, document A/6300/Rev.1, chap. XV, paras. 34-35; *ibid.*, Twenty-second Session, Annexes, addendum to agenda item 23 (Part III), document A/6700/Rev.1, chap. XV, para. 65; *ibid.*, Twenty-third Session, Annexes, addendum to agenda item 23, document A/7200/Rev.1, chap. XVIII, section II; *ibid.*, Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. XV, para. 10; *ibid.*, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27.

b/ *Ibid.*, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27 (b).

"(3) The Special Committee takes note that, pursuant to the request made at its session in 1968, the Secretary-General has taken the preliminary steps for the study concerning all aspects of the extraction and marketing of phosphate on Ocean Island. It once again expresses the hope that all those concerned will co-operate fully with the Secretary-General so as to permit him to report on this study at the earliest possible time.

"(4) The Special Committee notes the statement of the representative of the administering Power that the Wholesale Society in the Gilbert and Ellice Islands is being reorganized in the light of that Territory's development plan and that it is intended to convert the Wholesale Society into a development authority which will absorb a number of activities currently undertaken directly by various government departments. The Special Committee wishes to be kept informed of the developments in this connexion.

"(5) The Special Committee is concerned at the slow pace of social and economic development in these Territories and urges the administering Power to take the necessary steps to accelerate progress in these fields.

"(6) The Special Committee welcomes the co-operation initiated recently between the administering Power and the specialized agencies concerning the promotion of social and economic development and expresses the hope that such co-operation will continue to grow in the future.

"(7) The Special Committee notes the statement of the representative of the administering Power concerning the granting of prospecting licences in the Solomon Islands to foreign companies. The Special Committee, however, urges the administering Power to keep in view the legitimate interests of the people in this connexion and to take account of the relevant General Assembly resolution concerning foreign economic interests in colonial Territories.

"(8) The Special Committee is concerned at the prevailing educational conditions in the Territories. It requests the administering Power to take appropriate steps towards rapid educational development and to make education compulsory and free of charge at the elementary level. The Special Committee also draws the attention of the administering Power to the development of secular education in the Territories."

3. In addition, the Special Committee adopted a number of general conclusions and recommendations relating to all the Territories in Asia and the Pacific considered by it during 1970. These conclusions and recommendations are set out in the Committee's report to the General Assembly at its twenty-fifth session. c/

4. By resolution 2709 (XXV) of 14 December 1970, which concerned twenty-five Territories, including the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands, the General Assembly, inter alia, approved the chapters of the report of the Special Committee relating to these Territories, and requested the Special Committee to continue to pay special attention to them and to report to the General Assembly at its twenty-sixth session on the implementation of the resolution.

c/ Ibid., para. 27 (a).

B. INFORMATION ON THE TERRITORIES

1. GILBERT AND ELLICE ISLANDS^{d/}

5. Basic information on the Gilbert and Ellice Islands is contained in the report of the Special Committee to the General Assembly at its twenty-fifth session. Supplementary information is set out below.

General

6. The Territory of the Gilbert and Ellice Islands, which also includes Ocean Island and the Phoenix and Northern Line Islands, is situated in the south-west Pacific around the point at which the International Date Line cuts the Equator. Although the total land area is only about 283 square miles (733 square kilometres) the islands are dispersed over more than two million square miles (5.18 million square kilometres) of ocean. This factor and the remoteness of the Territory give rise to many difficulties in administration, transport and communications.

7. The official result of the census held in December 1968 shows a total population at that time of 53,517 persons as follows: Micronesians (almost entirely Gilbertese), 44,897; Polynesians (almost entirely Ellice Islanders), 7,465; Europeans, 458; and others, 697. Not included in the above figures were another 1,142 Gilbertese and 526 Ellice Islanders who, at the time of the 1968 census, were temporarily resident on Nauru, where the men were employed by the British Phosphate Commissioners.

8. Comparison of the 1968 census figures with those of the previous census held in 1963, shows that the total population had increased by 4,737, or nearly 10 per cent, over the five-year period. In 1968, 45 per cent of the inhabitants were under fifteen years of age.

9. Most of the inhabitants live in the Gilbert and Ellice Islands, which constitute about one half of the Territory's land area, and on certain islands there is a pressing problem of over-population. To cope with this problem, planned migration has been resorted to: efforts have been made to encourage the movement of families to the less densely populated islands and also to encourage emigration to other areas outside the Territory. Furthermore, a vigorous campaign to promote family planning has been launched.

Constitutional and political developments

New Constitution

10. A new Constitution, contained in the Gilbert and Ellis Order-in-Council of 11 November 1970, was drawn up in the light of the recommendations of a select

^{d/} Information presented in this section has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter of the United Nations on 26 June and 4 August 1970 for the year ending 31 December 1969.

committee of the former House of Representatives. In essence, the Constitution provides for the replacement of the House of Representatives by a Legislative Council with an elected majority, and the replacement of the Governing Council by an advisory Executive Council, with equal numbers of official and unofficial members of the Legislative Council. The office of Chief Elected Member has been replaced by that of Leader of Government Business, elected by the elected members of the Legislative Council; individual members of the Executive Council may be assigned departmental interests as a first step towards a ministerial system. There are also detailed provisions guaranteeing the protection of fundamental rights and freedoms of all persons in the Territory. The new constitutional arrangements are outlined below.

(a) High Commissioner

11. Her Majesty's High Commissioner for the Western Pacific, with headquarters at Honiara in the Solomon Islands, is responsible for the administration of the Gilbert and Ellice Islands. He may make for the Territory such laws as appears to him to be necessary or expedient in the interests of external affairs, defence and public order.

(b) Resident Commissioner

12. The chief administrative officer of the Territory is the Resident Commissioner, with headquarters at Tarawa, the capital. The Resident Commissioner, who is appointed by the High Commissioner, must consult the Executive Council in the exercise of all powers conferred upon him except those which he is empowered to exercise in his discretion, those which he is empowered to exercise without consulting the Council and those which he is required or authorized to exercise after consultation with or on the advice of a person or authority other than the Council.

13. In any case in which the Resident Commissioner is required by the Constitution to consult the Executive Council, he may act against the advice given to him by the Council if he thinks it right to do so. Where he acts, in pursuance of the above powers, against the advice of the Council, he should, at the first convenient opportunity, report the matter to the United Kingdom Secretary of State with the reasons for his action. He has certain powers of financial control for the purpose of ensuring the financial or economic stability of the Territory or of securing compliance with a condition attached to a financial grant or loan made by the United Kingdom Government to the Government of the Territory.

(c) Executive Council

14. The Executive Council consists of: the Assistant Resident Commissioner, the Attorney-General and the Financial Secretary as ex officio members; the two "public service members" of the Legislative Council; and five elected of the Legislative Council. Among the last-mentioned, the Leader of Government Business is elected by the elected members of the Legislature, and the four others are appointed by the Resident Commissioner after consultation with the Leader of Government Business. Any member of the Executive Council may be entrusted with

responsibility for any subject or subjects relating to the business of government with which that member is to be associated in the formulation and presentation of policy.

(d) Legislative Council

15. The Legislative Council consists of the Assistant Resident Commissioner, the Attorney-General and the Financial Secretary as ex officio members; two "public service members" appointed by the Resident Commissioner, in his discretion, from among persons who are public officers; and twenty-eight elected members who are directly elected under the regulations made by the Resident Commissioner. The Resident Commissioner presides over the Council, which lasts for three years, unless dissolved earlier, and he has the power to prorogue and dissolve it.

16. Subject to the provisions of the Constitution, the Resident Commissioner, with the advice and consent of the Council, may make laws for the peace, order and good government of the Colony. A bill passed by the Council does not become a law until the Commissioner has assented and signed it or the Queen has given her assent through a Secretary of State. A general power of disallowance of laws is reserved to the Crown. Except on the recommendation of the Resident Commissioner, the Council may not proceed with legislation affecting the finances of the Territory or the salary, allowances, pensions or other conditions of service of any public officer or members of his family. If the Council fails to adopt any bill or motion which the Resident Commissioner considers expedient in the interest of any of his responsibilities, he may declare that bill or motion as adopted. When he makes such a declaration, he is required to report to the United Kingdom Secretary of State with the reasons for his action.

1971 elections

17. Elections under the new Constitution were held on 19 March 1971, and the first session of the Legislative Council opened on 14 April. Prior to this meeting, the elected representatives met in closed session to elect a Leader of Government Business. The successful candidate was Mr. Reuben Uatioa, the former Chief Elected Member of the House of Representatives.

18. After the first session of the Legislative Council, the Resident Commissioner, after consultation with the Leader of Government Business, appointed four elected members to the Executive Council. These members have been assigned departmental interests as follows: social services; natural resources, communications, works and utilities; and internal affairs.

Localization of the civil service

19. At the end of 1969, there were 103 expatriate and 807 local officers. According to the administering Power, some progress was made during the year under review in the localization of the civil service. The intake at the government secondary school was increased; a clerical training school and a Civil Service Advisory Board were established; and provision was made for the creation of supernumerary posts at a senior level to be held by local officers. In its report, the Commission on the Civil Service of the Gilbert and Ellice Islands Colony, 1968-1969, made recommendations designed to provide a sound

structure for the development of a fully local civil service. For the most part, these recommendations were accepted by the House of Representatives with certain minor amendments. The new salary scales proposed by the Commission were brought into effect.

20. At its final session held in December 1970, the House of Representatives was informed by the Government that in the past two years, seven positions had been filled by local officers and thirty-seven new posts had been filled by expatriates. After discussions, Mr. Uatiosa, then Chief Elected Member, introduced a motion whereby the House expressed its concern at the slow rate at which local officers were replacing expatriates and at the failure of the Government to draw up and publish a comprehensive plan and time-table for complete localization of the civil service, or to support special training and educational courses. In doing so, Mr. Uatiosa stressed that he did not want local officers to take over posts held by expatriates before they were ready, and that he had no objection to the appointment of expatriates to departments responsible for economic and educational matters, where they were required to ensure the rapid development of the Territory. In reply, Mr. Derek Cudmore, Assistant Resident Commissioner, expressed opposition to the motion on the ground that progress was being made in the field of localization and that a comprehensive survey had already been commenced. Despite his opposition, the motion was adopted. Subsequently, the administering Power stated that it hoped that a revised comprehensive localization plan would be produced in early 1971.

Separation from the Western Pacific High Commission

21. At its final session, held in December 1970, the House of Representatives unanimously approved a motion calling for the separation of the Territory from the Western Pacific High Commission. On 12 January 1971, Mr. Godber, United Kingdom Minister of State for Foreign and Commonwealth Affairs, stated in reply to a question in the United Kingdom House of Commons:

"We had already been considering in consultation with the High Commissioner for the Western Pacific and the Resident Commissioner whether the association of the Colony with the High Commission was still appropriate in view of constitutional and administrative progress in the Colony. We have decided that it would now be in the interests of the Colony to separate it from the High Commission. The necessary administrative and legal changes are under consideration and will be implemented in due course."

Economic conditions

General

22. The Territory's economy is based on phosphate mining on Ocean Island (the most important industry) and copra production on other islands. Phosphate production and exports are controlled by the British Phosphate Commissioners who are responsible to the Governments of the United Kingdom, Australia and New Zealand. The bulk of the copra is produced by indigenous cultivators and the remainder by the Line Islands plantations. A statutory Copra Board, established in 1950, is responsible for all purchases and for sales overseas. Internal

purchases are made through the agency of the Wholesale Society (a statutory body set up in 1955) and co-operative societies. Most imports and sales of retail goods are handled by the Wholesale Society and the co-operatives. At the end of 1969, there were sixty-four co-operative societies (mainly consumer-marketing societies but including two newly formed producers' agricultural societies) with a total membership of more than 18,000.

23. It is reported that when Ocean Island phosphate deposits are exhausted, the Territory will lose about \$A2.5 million a year, e/ or about 5 $\frac{1}{4}$ per cent of recurrent revenue, as well as the wages earned by several hundred of the local population employed in the industry. Recent revised estimates of the island's phosphate reserves suggest, however, that mining could continue for eight or nine years, or two years longer than had been expected. To maintain the present extraction rate of 550,000 to 600,000 tons a year for the full eight years, the British Phosphate Commissioners would need to procure mining leases over all remaining phosphate land on Ocean Island.

24. Negotiations have been in progress for some time between the British Phosphate Commissioner and the Banaban landowners over the conversion of building leases to mining leases, and over a small area which was missed in earlier surveys and must therefore be the subject of a separate leasing agreement.

25. As a result of discussions held between the three partner Governments, at Suva in March 1970, the price paid for Ocean Island phosphate was raised to \$A12.30 per ton as from 1 July 1970. As in previous agreements, the Ocean Island price was based on the price negotiated by the partner Governments with Nauruan authorities for Nauru phosphate. The Nauru agreement, reached in September 1969, also provided for the disposal of surplus Nauru phosphate outside the partner countries. It is understood that the Nauruans have entered into arrangements with Japan which include the sale of phosphate at \$A14 and \$A15 per ton.

26. Whether the phosphate deposits last until 1976 or 1979, the dominant fact of the Territory economic life remains: The major source of government revenue will end when the phosphate deposits are depleted.

27. It is also reported that the Banabans of Rabi Island have formed a public company, Rabi Holdings, Ltd., in preparation for the day when their Ocean Island phosphate royalties stop. The company, which has an office in Suva, has been registered with an authorized share capital of \$A2 million. One of the directors explained in October that the company was organized to give Banabans services, employment and a means of investment, while they still have phosphate capital. In Suva, the company has bought three flats and an adjoining bulk store, which between them bring in an income of \$A300 a month. The company is also studying projects such as a sawmill, the expansion of the Rabi copra industry and the building of shops.

e/ One Australian dollar (\$A1.00) equals \$US1.12.

28. Among the principal factors hampering agricultural development are the meagre resources of the Territory's infertile atolls, the limited cultivable area suitable for growing only a few crops, and the excessive subdivision of land. The Government has taken measures to overcome these obstacles, including the establishment of certain projects to expand agricultural production and the encouragement of landowners to consolidate their holdings. Coconuts are believed to be the only major crop which will thrive and yield a significant return. There is little useful timber. Livestock is limited to pigs and poultry. The fishing industry remains under-developed, the entire catch going for local consumption. Manufacturing industries are still in their early stages. Limited progress has been made with the development of boat-building and furniture manufacture, coir products, handicrafts and building materials.

29. An important problem for the Territory is the need for the expansion and improvement of the transport system. In 1969, the Territory's fleet of vessels remained unchanged. However, the operational control of all government-owned ships was passed to the Wholesale Society with the object of running the ships on a commercial basis. Other developments during the year included the inauguration of an internal air service in the Territory, operated by Fiji Airways, Limited, and the completion of two airfields, one at North Tabiteuea and the other at Butaritari, thus bringing the total number of fields to seven.

30. With normal rainfall throughout 1969, copra production showed signs of recovery from the drought of the previous year. In this period, total production increased from 6,632 to 6,666 tons. Of the 1969 total, 5,061 tons came from island producers and 1,605 tons from the Line Islands plantations. In 1969, the value of copra exported amounted to \$A1.2 million, or \$A0.2 million more than in the previous year. During these two years, there was a slight increase in phosphate exports, from 523,450 tons (valued at \$A5.6 million) to 555,100 tons (valued at \$A6.1 million).

31. In 1969, the Territory's total external trade was \$A10.1 million, down from \$A10.9 million in the previous year. Imports were valued at \$A4.1 million in 1968 and \$A2.8 million in 1969; exports totalled \$A6.8 million and \$A7.3 million respectively. The principal imports were foodstuffs, fuels, timber, tobacco products, beverages and clothing, coming mainly from Australia, the United Kingdom, Japan, Fiji and New Zealand. Exports went to Australia and New Zealand (mainly phosphate) and the United Kingdom (mainly copra).

Development plans

32. The Territory's development plans have been financed primarily by the Colonial Development and Welfare Fund. Between April 1946 and March 1967, this aid totalled \$A3.2 million. A three-year development plan for the period ending March 1968 provided for the expenditure of \$A2.8 million on sixty-one economic and social projects. This sum included \$A1.8 million from the Fund. The latter made a further allocation of \$A1.4 million for the period from April 1968 to March 1970.

33. In March 1970, the House of Representatives approved a new development plan prepared by the Government for the period April 1970 to March 1972. In preparing this plan, the Government took into account three significant developments which were expected to occur during the 1970s: (a) a rapid growth

of population, causing further pressure on the Territory's limited resources; (b) the assumption by its people of a greater responsibility in running their own affairs; and (c) the exhaustion of the phosphate deposits on Ocean Island, possibly in 1978, resulting in the closure of the only sizeable export industry.

34. The long-term objective of the plan is the achievement of self-sufficiency by the Territory and maintenance of the present standard of living of the population. In pursuance of this objective, the Government intends to provide the following: family planning services to 4,000 women, or 33 per cent of the child-bearing population during the development period; a higher rate of investment in education and training to meet the planned manpower requirements of all sectors of the community; measures to keep a tight control over both public and private spending and to make certain institutional changes; and a greater concentration of efforts on activities which will produce new income to replace the loss of the proceeds from phosphate.

35. The plan stresses the need to increase investments in income-earning resources, particularly agricultural and related projects, to which 26 per cent of the total expenditure during the development period is allocated. It is planned to investigate the possibility of improving the copra industry; to initiate a subsidy scheme to stimulate coconut development by increasing the acreage under new planting and replanting from 1,200 at the end of 1970 to 6,500 at the end of 1971; to expand further the present agricultural training programme; to carry out coconut research and experimentation; to conduct a rat control campaign; to develop timber plantations for local needs; to continue the Temaiku Gulf reclamation project primarily for agricultural purposes; to intensify fisheries research operations as a first step towards the establishment of an export industry; to accelerate the development of co-operative societies and small-scale manufacturing industries; and to increase the intake of the Tarawa Marine Training School to 300 seamen per year by February 1971, with a view to raising the net annual cash inflow to the Territory in remittances to the rate of about \$A400,000 by 1973/74.

36. Under the plan, it is also proposed to collect and prepare basic statistics for development planning purposes; to inaugurate a programme of surveys aimed at improving the civil service machinery and the transport system; to establish the present Wholesale Society as a Development Authority on 1 April 1971; and to grant tax concessions and other legislative inducements to attract investors and new enterprises.

37. In statements to the House of Representatives made in February and November 1970, Mr. M.D. Allen, Financial Secretary, said that most of the projects in the new plan would be financed by the United Kingdom Government. Its development aid to the Territory for the financial year 1970/71 would amount to \$A750,000. A large part of the estimated capital expenditure of \$A1,250,000 for the financial year 1971/72 would be met by such aid.

38. At the final session of the House held in December 1970, Mr. Uatiao, then Chief Elected Member, introduced a motion calling upon the United Kingdom Government to make a clear statement regarding future aid policy towards the Territory and to give an assurance that the standards of living of its people and the level of social services provided to them would not be allowed to decline after the exhaustion of the phosphate deposits on Ocean Island. Mr. Uatiao drew attention to the assurance given to the former Legislature in 1964 that future

political development in the Territory would not affect the United Kingdom Government's willingness to provide aid. He pointed out that the new plan was designed to make the Territory economically self-supporting. But he said that there were signs that because of its own financial difficulties, the United Kingdom Government might wish to restrict aid and that economic independence was going to be made the price of political independence. He added that, to a developing country, political stability was more important than economic independence. It was for this reason that he sought an assurance on behalf of the people of the Territory. After discussions, the President of the House, who is also the Resident Commissioner, announced that he would convey the views of the Assembly to the Secretary of State.

Public finance

39. It is estimated that in 1971, recurrent revenue of the Territory would amount to \$A4.5 million (compared with \$A4.3 million in 1970 and \$A3.5 million in 1969) and recurrent expenditure to \$A3.5 million (compared with \$A3.3 million in 1970 and \$A2.7 million in 1969). These budgetary figures indicate the continuation of a general uptrend in recent years, especially since 1965.

40. The major portion of the territorial revenue comes from the tax on phosphate, which is expected to yield \$A2.5 million in 1971, representing 55 per cent of the revenue. Among the other main sources of revenue is the export duty on copra, which is levied at the rate of 20 per cent ad valorem of the f.o.b. value.

41. At its final session, held in December 1970, the House of Representatives adopted a motion requesting the Government to consider urgently ways of abolishing the copra export duty. In presenting the motion, Mr. Babera Kirata, an elected member, said that this duty, combined with other taxes, would absorb approximately 40 per cent of the copra producers' income. He believed that with such a low return, these producers would not replant or develop their land but would try to live on remittances from relatives working away from home. Mr. M.D. Allen, Financial Secretary, replied that the Government would investigate the problem more urgently than it had done in the past. He added, however, that if copra production increased, as was hoped, then the Government would be denying itself much more than the present \$A0.2 million in potential revenue.

Social conditions

Labour

42. Within the Territory, the principal occupations for the available labour force are provided by the phosphate industry at Ocean Island, the copra plantations in the Line Islands and the Government. Some islanders have secured employment overseas, notably in the phosphate workings on Nauru, and with agricultural enterprises in the New Hebrides. Approximately 300 islanders have also found work on overseas vessels. The administering Power states that there is already a surplus of labour available for employment, but expects a critical situation to arise in the late 1970s, when the phosphate being mined on Ocean Island will have been exhausted at the present rate of extraction. At that time, the population may well be approaching 68,000 with a density of over 600 persons to the square mile. In order to prevent a worsening of this situation, measures

are now being taken to cope with the problem of over-population and to accelerate economic growth (see paragraphs 32-38 above).

43. In 1969, the general employment pattern of the Islanders was as follows. The phosphate industry, in the person of the British Phosphate Commissioners, employed a total of 1,377 persons. Of this number, 773 worked on Nauru. The remaining 604 who were employed on Ocean Island, comprised 509 Gilbertese and Ellice Islanders; 47 Europeans; 29 Chinese; and 19 Banabans.

44. The copra plantations gave employment to 271 workers, either on government-owned plantations on the Line Islands or on the privately owned plantations on Fanning and Washington Islands.

45. Other employment was provided by the Wholesale Society, 444 local and 15 expatriate employees; co-operative societies, 260; island councils, 294; and the central Government, 807 local and 99 expatriate employees. The co-operative societies also gave temporary employment to large numbers of casual labourers for the handling of cargo and copra at Tarawa and on the outer islands. The Government also employed an additional 900 established workers.

46. In 1969, the monthly basic wages of Gilbertese and Ellice employees of the British Phosphate Commissioners at Ocean Island were: labourers, \$A28.60; clerical workers \$A43.60; and tradesmen, \$A46.60. The average earnings of these three groups (including overtime pay, rations and allowances) were \$A119.00, \$A145.87 and \$A140.66 respectively.

47. Wages for labourers on the copra plantations at Fanning and Washington Islands remained unchanged in 1969. Labour was recruited for Christmas Island plantations on the basis of a two-year initial contract for single men and a three-year contract for married men accompanied by their families. The monthly wages of these workers were \$A30.50 on their first engagement, \$A32.75 after eighteen months of service and \$A33.75 after six years of employment.

48. In 1969, after examining the conditions under which its unestablished employees had worked, the Government granted an over-all wage increase of about 10 per cent in addition to certain other benefits such as long-service gratuities, payable at the end of each six-year period of service. At the end of the year, hourly wage rates for these employees over a period of three years were: unskilled casual labourers, 15 cents (Australian), rising to 18 cents; semi-skilled workers, 18.5 cents, rising to 26 cents; artisans (grade II), 27 cents, rising to 34.5 cents; and artisans (grade I), 38 cents, rising to 42 cents.

49. In 1969, the working week continued to vary between 48 hours on the plantations and 36 1/2 hours in government offices. There was no night work except for the shifts on the phosphate workings at Ocean Island and the work required during the visits of ships. As in the past, the phosphate workers, government officers and senior employees of other organizations were entitled to paid holidays. For the first time, during the year, the Government granted this privilege to all of its other employees.

Public health

50. In 1969, expenditure on public health was estimated at \$A296,932 (including \$A19,800 from Colonial Development and Welfare funds), compared with actual expenditure of \$A281,729 (including \$A22,085 from Colonial Development Welfare funds) in the previous year.

51. During the year, the Territory was served by three general hospitals (including one operated at Ocean Island by the British Phosphate Commissioners), nine outer island hospitals and sixteen dispensaries. The number of general beds totalled 291, an increase of seventy-three over the previous year. There were twenty-nine medical officers (including six expatriates), compared with twenty-eight (including five expatriates) in the previous year. Medical care for the islanders continued to be free.

52. The principal endemic diseases are tuberculosis, diarrhoea, filariasis (mostly in the Ellice Islands) and leprosy (mostly in the Gilbert Islands). Tuberculosis remains one of the most serious public health problems of the Territory. Since 1961, a control programme has been undertaken with assistance from the World Health Organization (WHO) and the United Nations Children's Fund, (UNICEF). New cases registered in 1969 were 140, compared with 123 in 1968. Another problem, diarrhoea, is mainly attributed to contaminated water supplies and poor environmental sanitation. The two specialized agencies referred to above have assisted the Government in the implementation of a scheme for improving this situation. In 1969, two experts from WHO participated in another scheme to define the extent of the problem and provide data on the causative organisms as a basis for developing effective control procedures. Another WHO expert carried out a preliminary survey of filariasis in the Ellice Islands as an initial step towards control over this disease. Efforts were being made to provide lepers with hospital services and other aid. Eleven new cases (fifty-two in 1968) were found, but no major surveys for leprosy were undertaken.

53. Increased acceptance of family planning was being achieved, following the appointment of a senior health education officer and the formation of a Family Planning Association in 1969. The number of acceptors increased from 1,200 at the end of 1969 to 2,200 at the end of September 1970. The latter figure represented 18 per cent of the women of child-bearing age. As stated earlier (see paragraph 34 above), the Government proposes considerable expansion of family planning services under the current development plan.

Educational conditions

54. In the Territory, most pupils spend their school lives in primary schools, as there is no pre-primary education and only limited secondary education. In 1969, after reviewing its educational policy, the Government decided on the following steps: (a) to promote further development of the system of primary education through the provision of a building grant of \$A1,000 per classroom to island councils and voluntary agencies; (b) to expand the government secondary school; (c) to introduce the payment of school fees for pupils attending government primary schools and to increase the fees for pupils attending the government secondary school; (d) to initiate clerical and secretarial training for civil servants; and (e) to obtain the services of an educational development planner.

55. The latter's main recommendations were incorporated in the development plan for 1970-1972. In May 1970, the House of Representatives approved a paper on educational policy revising the social services sector of the plan. According to the paper, a basic objective of the policy is eventually to provide universal primary education. In order to achieve this objective, the Government considers it necessary for the community to make substantially higher contributions to meet the cost. The budget estimates for 1971 allow for a reduction of subsidies to selected non-government schools for their supplies and qualified teachers' salaries, and for an increase of contributions from island councils and voluntary agencies, mainly by raising school fees. In the paper, a proposal is made for increased investment and endeavour in secondary and higher education as well as in vocational training. The 1971 budgetary estimates contain provisions to give effect to this proposal. Figures for educational expenditure are not available.

56. In 1969, the Government continued to pursue a policy of consolidating village schools into expanded and improved primary schools, resulting in a considerable decrease in number of schools. At the end of the year, 172 primary schools were maintained by voluntary agencies (with 9,747 pupils and 537 teachers) and thirty-five by the Government and island councils (with 4,259 pupils and 120 teachers). Approximately 11 per cent of a total primary school population of 14,006 was enrolled in government schools. Four secondary schools, one run by the Government and three by voluntary agencies, had 581 pupils, with thirty-six teachers. The Territory also had two teacher-training colleges with eighty-nine trainees and thirteen teachers.

57. There are no facilities for secondary education above Form V level, or for tertiary education or formal technical education. Training in these sectors is provided by means of scholarships to institutions in Fiji, New Zealand, Australia and the United Kingdom. A comprehensive programme of scholarships and bursaries is operating under the over-all direction of the Civil Service Advisory Board. During 1969, there were ninety-five students overseas, of whom seventeen were receiving secondary education, eleven tertiary education and sixty-seven professional and technical training.

58. In 1969, government expenditure on education was estimated to total \$A530,368 (including Colonial Development and Welfare funds), compared with actual expenditure of \$A309,438 (including Colonial Development and Welfare funds) in the previous year. Figures of expenditure by island councils and voluntary agencies are not available.

2. PITCAIRN f/

59. Basic information on the Territory is contained in the Special Committee's report to the General Assembly at its twenty-fifth session. g/ The following consists mainly of supplementary information.

f/ Information presented in this section has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom under Article 73 e of the Charter on 26 June 1970 and 31 May 1971 for the years ending 31 December 1969 and 31 December 1970.

g/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III.B.

General

60. Located in the South Pacific, approximately midway between Australia and South America, the Territory consists of four small islands, only one of which, Pitcairn Island, is inhabited. The latter is a volcanic island with a land area of about two square miles (5.18 square kilometres). It has no airfield or harbour and, apart from radio, its only communication with the outside world are the open boats of the islanders which, in good weather, transport passengers and goods to and from ships lying off-shore.

61. Over the past decade the population, composed of the descendants of British sailors and Tahitians who settled there in 1793 after the mutiny of H.M.S. Bounty, has dwindled from 150 to about 80, not counting those temporarily absent. According to an article published in the press in October 1970, there are now almost no able-bodied men between the ages of eighteen and forty-five, and the islanders consequently have difficulty in manning the open boats which must traverse hazardous surf to obtain supplies from passing ships in exchange for the handicrafts which are the Territory's only export. According to the article, it is only a matter of time before the island must be evacuated.

62. For many years there has been a drift of young people away from the island, some going to New Zealand in search of employment, and some to Norfolk Island where there is a larger community, including nearly 600 descendants of Pitcairn islanders. Some Norfolk islanders reportedly have expressed the opinion that Crown land should be made available to any Pitcairn islanders who wish to settle there.

Constitutional and political developments

63. Prior to the accession of Fiji to independence on 10 October 1970, the Governor of Fiji also served ex officio as Governor of Pitcairn and legislated for that Territory.

64. Shortly before Fiji became independent, however, the Ministry of Foreign and Commonwealth Affairs in London reportedly announced that the governorship of Pitcairn would become a duty of the British High Commissioner in New Zealand, Sir A. Galsworthy. The newspaper article reporting this change quoted officials as saying that it was appropriate since Pitcairn's connexion with the rest of the world has been mainly through New Zealand, where children from the island customarily go for secondary education.

65. No change was reported in the functions or composition of the ten-member Island Council constituted under the Local Government Ordinance of 1964.

Economic conditions

66. The island was originally divided among the nine mutineers of H.M.S. Bounty. It remains family-owned; succession and utilization of land are decided by custom. The island is largely covered with secondary brush interspersed with grass, family gardens and fruit trees. The small community is able to meet its basic needs from the soil, the sea and private trading; it is self-sufficient. A family handicrafts industry exists for the making of baskets, wood carvings and other handicrafts. A

co-operative consumers' society, established in 1967, owns the only shop on the island. As the capital is small, the stock in trade is limited.

67. Pitcairn's revised estimated revenue and expenditure for the year 1970/71 were \$NZ80,592 h/ and \$NZ60,263, respectively, compared with \$NZ87,692 and \$NZ65,023, respectively, for the previous year. Revenue included \$NZ61,020 from stamp sales, \$NZ18,020 from interest and dividends and \$NZ1,552 from miscellaneous.

68. Supplies now reach Pitcairn by special arrangements made by the Governor's Office with cargo vessels plying between the United Kingdom and New Zealand. During 1970, forty-five ships called at the island, compared with forty-seven in 1969. An Island Co-operative was formed in 1968 to retail goods and supplies to the islanders. The Governor's Office sends supplies to the Co-operative as requirements are notified, and in addition individual islanders import directly on private account.

Social conditions

69. Pitcairn Island is small and isolated, its inhabitants are practically all of common stock, and racial or cultural problems do not exist.

70. The population is self-employed. There is no permanent labour force, although the local administration sometimes hires workers for limited communal service. The rate of wages for casual labour performed for the Administration was increased from twenty-five to twenty-eight cents (New Zealand) an hour on 1 April 1970. In March 1969, it was reported that two volunteers were being sent to the island under the New Zealand Volunteer Service Abroad Scheme.

71. There is one government health clinic, run in co-operation with the Seventh Day Adventist Church. The Government meets the cost of medical supplies and drugs.

Educational conditions

72. Education is controlled and financed entirely by the Government. It is free and compulsory for all children between the ages of five and fifteen. In 1970, the school roll comprised seven boys and six girls, compared with ten boys and eight girls the previous year. It was reported in 1969 that five Pitcairn islanders, aged fifteen to eighteen, were receiving an overseas education - three in Fiji and two in New Zealand. Expenditure on education in 1970 was \$NZ9,464, representing 15.7 per cent of total recurrent expenditure, compared with \$NZ8,824 or 13.71 per cent of recurrent expenditure in 1969.

h/ One New Zealand dollar (\$NZ1.00) equals \$US1.12.

3. SOLOMON ISLANDS^{i/}

General

73. Basic information on the Territory is contained in the Special Committee's report to the General Assembly at its twenty-fifth session. j/ Supplementary information is set out below.

74. The provisional results of the Territory's first full census, taken in 1970, revealed a total population of 161,525, of whom 55,000 were in Central District, the most densely inhabited part of the Territory. The total exceeded the previously estimated figure by 9,500 and was more than 37,000 above an official prediction which followed a sample census in 1959. Precise data on the composition of the population, more than 90 per cent of whom are Melanesians, is not yet available.

Constitutional and political developments

New Constitution

75. A new Constitution, as embodied in the British Solomon Islands Order, 1970, came into force in the Territory on 10 April 1970. An outline of the Constitution is set out below.

(a) High Commissioner

76. Responsibility for the administration of the Territory continues to be exercised by Her Majesty's High Commissioner for the Western Pacific who resides at Honiara in the Solomon Islands. The High Commissioner is to consult with the Governing Council in the exercise of all powers conferred upon him except in the case of: (i) any power conferred upon him by the Order which he is empowered to exercise in his discretion; (ii) any power conferred by any law which he is empowered or directed, expressly or by necessary implication, to exercise without consulting the Council; or (iii) any power that relates to defence, external affairs, internal security, the police or the public service. He is not required to consult the Governing Council in any case in which, in his judgement: (i) the service of Her Majesty would sustain material prejudice thereby; (ii) the matters to be decided are too unimportant to require such consultation; or (iii) the urgency of the matter requires him to act before the Council can be consulted. However, in every case falling within (iii) above, the High Commissioner must, as soon as practicable, communicate to the Governing Council the measures which he has adopted and the reasons for those measures.

i/ Information presented in this section has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom under Article 73 e of the Charter on 5 June 1970 for the year ending 31 December 1969.

j/ See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III.C.

77. In any case in which the High Commissioner is required to consult the Governing Council he may act against the advice given to him by the Council, if he considers it expedient in the interests of public order, public faith or good government. But in such cases he must at the first convenient opportunity report the matter to a United Kingdom Secretary of State with the reasons for his action.

78. The High Commissioner has certain powers of financial control for the purpose of maintaining or ensuring the financial or economic stability of the Territory or securing compliance with a condition attached to a financial grant or loan made by the United Kingdom Government to the Government of the Solomon Islands. There is provision that he be assisted by an advisory, non-political Public Service Commission in regard to personnel questions concerning public officers, and any other question affecting the public service. The Public Service Commission, however, has not yet been set up. The High Commissioner may, in his discretion, exercise the prerogative of mercy.

79. Subject to the provisions of the Order, the High Commissioner, with the advice and consent of the Governing Council, may make laws for the peace, order and good government of the Territory. He is also empowered to put into effect any bill introduced, or any motion proposed, in the Governing Council which he considers is expedient in the interest of public order, public faith or good government, but which the Council has failed to pass. The High Commissioner must report to a Secretary of State every case in which he makes any such declaration and the reasons therefor.

(b) Governing Council

80. The Governing Council, which replaced the Executive and Legislative Councils, combines the functions of both. The Governing Council consists of: (i) the High Commissioner; (ii) the Chief Secretary to the Western Pacific High Commission, the Attorney-General and the Financial Secretary to the Western Pacific High Commission as ex officio members; (iii) not more than six "public service members" appointed by the High Commissioner in his discretion; and (iv) seventeen elected members.

81. When the Council sits as an executive body, its meetings, presided over by the High Commissioner, are normally held in private, but all legislative sessions are held in public, at which an outsider appointed by the High Commissioner presides.

82. Provision is made for the establishment of a Finance Committee and other committees of the Council. The Finance Committee, normally chaired by the Finance Secretary, includes the chairmen of the other committees and such other members of the Council appointed by the High Commissioner in his discretion. He is required to ensure that there is an elected majority on the committee. Every other committee consists of a chairman chosen from amongst the members of the Council, not more than five of its elected members and not more than two of its "public service members". The High Commissioner has the right to appoint, in his discretion, the chairman and the other members of every committee referred to above. He also has the right to charge a committee with responsibility for certain subjects except those reserved subjects specified in the Order, for which the High Commissioner retains responsibility. He may transfer to a committee statutory functions under local legislation which he or any public

officer exercises. A committee is responsible to the Council in the exercise of its functions and acts in accordance with the policies of the Government of the Solomon Islands and with such directives as the High Commissioner may give. The committees are required to report to the Council on any matter within their competence and to make recommendations to the Council concerning the policy to be adopted or other action to be taken by it with respect to the matters for which they are responsible.

83. The power to make laws conferred by the Order is exercisable by bills passed by the Governing Council. They do not become laws until the High Commissioner has assented and signed them or the Queen has given her assent to them through a United Kingdom Secretary of State. The High Commissioner is empowered to assent to most bills. However, there are certain classes of bills which he must reserve for the Queen's decision. A general power of disallowance of laws is reserved to the Crown. Except on the recommendation of the High Commissioner, the Council is prohibited from proceeding with legislation imposing or increasing any tax or charge on the revenues or other public funds, or compounding or remitting any debt due to the Territory, or affecting conditions of service, pensions, gratuities or other benefits of officers in the public service.

(c) Electoral system

84. The seventeen elected members of the Governing Council are elected in single-member constituencies on the basis of universal adult suffrage. Members are elected for a period of three years. The High Commissioner may, in his discretion, appoint an earlier time for a general election of members of the Council.

(d) General election

85. Elections under the new Constitution were held between 13 April and 30 June 1970. Direct elections took place in all but one constituency where, owing to administrative and transport difficulties, election was by an electoral college elected by local councils. Of the 51,904 registered voters, 26,136 actually voted. Following the elections, the Governing Council and its five committees were established. The High Commissioner appointed three non-official members (Messrs. G. Siama, W. Betu, and D.N. Kausimae), and one official member (Mr. R. Davies) as chairmen of the respective committees for: communications and works, education and social welfare, natural resources, and health and internal affairs. There is also a Finance Committee, whose chairman is the Financial Secretary to the Western Pacific High Commission, an ex officio member of the Council. The latter's first two public sessions were held in July and November/December respectively. Thus far, party government has not been developed in the Territory.

86. In an address to the first public session of the Council, delivered on 15 July 1970, the High Commissioner said that the new Constitution provided for a system of government radically different from the earlier one. He recalled that it had been evolved in the former Legislative Council to provide a constitution in keeping with traditional Melanesian methods of reaching decisions. He drew attention to the following innovations. First, the actual machinery of government

changed with the introduction of the new committee system. Under it, each member of the Governing Council became directly associated with the work of a number of government departments and with the formulation of policy at a much earlier stage than in the past. He believed that this would result in a closer understanding between elected members and their civil service advisers and in the best decisions in the over-all public interest. Secondly, the new Constitution represented a very real shift of power away from the public service members to the majority of elected members. Lastly, this form of Constitution provided the opportunity for the growth of a true national identity. He explained that under the committee system, elected members accepted a duty to look beyond purely local issues and to tackle problems and reach decisions on a nation-wide basis.

Future of the Territory

87. At its second public session, the Governing Council adopted a motion, introduced by Mr. P.K. Thompson, an elected member, which called for the drawing-up of a time-table of constitutional and economic development leading to the Territory's independence. During discussions, several other elected members expressed reservations concerning the timing of independence. Replying, Mr. Thompson said that these members were out of touch with their people and had no faith in their abilities.

Local government

88. The local government system of the Solomon Islands remains as described in the previous report of the Special Committee. k/ Briefly, the Territory is divided into four administrative districts (Western, Central, Malaita and Eastern), each under a district commissioner. The larger islands are split into sub-districts, and the smaller islands and groups of islands may also be classified as sub-districts. All the islands except Tikopia and Anuta are covered by local councils, whose members are elected by universal adult suffrage. In 1969, there were twenty-one councils of this kind established under the Local Government Ordinance of 1963. There is also a town council on Honiara, to which the first elections were held under this Ordinance in September 1969. The Council now consists of twelve elected members and three nominated members, the latter with no voting rights.

89. In his recent address, the High Commissioner stated that during 1969, the district administration had been greatly extended in carrying out the elaborate and complex arrangements required for the census in February and the general election afterwards; that its staff was now charged with executive responsibility in the field for the conduct of a programme for eradicating malaria, one of the major health problems of the Territory; and that the new administrative complex at Santa Cruz had been virtually completed. As regards local councils, he said that they continued to experience difficulty in developing capacity for the planning and execution of development programmes, although progress had been made in some areas. Regarding the Honiara Town Council, he said that it had successfully introduced the first system of rating on the undeveloped value of land at the beginning of 1970.

k/ Ibid., annex III, paras. 98-104.

90. At the first public session of the Governing Council, Mr. R. Davies, Chairman of its Health and Internal Affairs Committee, stated that his Committee would pay special attention to the preparation of a plan for the development of local councils, including assumption of the district administration, bearing in mind that such councils were poorly staffed and that their staff was poorly paid.

Public service

91. According to the administering Power, the composition of the public service at 1 January 1970, compared with previous years, was as follows:

	<u>1968</u>		<u>1969</u>		<u>1970</u>	
	<u>Number</u>	<u>Per cent</u>	<u>Number</u>	<u>Per cent</u>	<u>Number</u>	<u>Per cent</u>
Posts held by Solomon Islanders	1,409	64.69	1,537	67.85	1,660	71.90
Posts held by expatriate officers designated under the Overseas Service Aid Scheme	269	12.35	292	12.90	279	12.00
Posts held by non-designated officers, including temporary officers, from overseas	85	3.91	80	3.53	80	3.50
Vacant posts	415	19.05	356	15.72	288	12.60
	2,178	100.00	2,265	100.00	2,307	100.00

92. In his recent address, the High Commissioner stated that the Public Service Advisory Board now had a full-time chairman and was steadily gaining the confidence of the service. He further stated that the report of the Commission on the Civil Service (a joint Commission for all three Territories in the Western Pacific High Commission) had been approved by the former Legislative Council at its meeting in October 1969 and had now largely been implemented. As a consequence, the general structure of the service might be regarded as satisfactorily geared to the tasks ahead.

93. With regard to the criticism made in the former Legislative Council about the absence of any clearly defined plan for localization of the public service, the High Commissioner said that a survey of the service had recently been carried out by the Government with the express object of drawing up a training programme, particularly for localization at the higher levels of the public service. He added that the training of officers at the lower levels would continue and a new clerical training course had been planned to start in January 1971 at the Honiara Technical Institute. The first priority, however, would be given to the training of high level manpower. All qualified Solomon Islanders would receive tertiary education in those fields of training most needed for the public service and for the Territory as a whole. In the course of a debate on localization, held at

the second public session of the Governing Council, Mr. P.K. Thompson, an elected member, suggested that there should be by now at least one local district commissioner and one local head of a government department. All the other elected members agreed with him that not enough was being done to localize most departments. Immediately after this session, Mr. Fred Osifelo, a suitably qualified local officer, was appointed Deputy Commissioner of Lands and Surveys.

Economic conditions

(a) General

94. Basic information concerning economic conditions in the Solomon Islands, with particular reference to foreign economic interests, was annexed to the reports of Sub-Committee I and reproduced in the reports of the Special Committee to the General Assembly at its twenty-third and twenty-fourth sessions. 1/ Subsequently, the Special Committee included further information on the same subject in its report to the General Assembly at its twenty-fifth session. m/

95. Information supplementary to that contained in these reports indicates that the basic pattern of the economy has remained unchanged, although there has been a marked increase in the activities of foreign mining companies operating in the Solomon Islands. The Territory's principal natural resources are its agricultural land, coconut palms, fisheries, forests and minerals. It specializes in the production of a few agricultural commodities for export, mainly copra and timber, and depends heavily on imported goods for satisfaction of local requirements. The sea is an almost untapped resource. Efforts to promote industrial development have been primarily directed towards the manufacture of a variety of goods for local consumption. Such goods include biscuits, mineral waters, twist tobacco, building materials, rattan and other furniture, and processed bêches-de-mer. An authority has recently been established for the development and control of tourism.

96. In 1969, the Territory's total external trade was \$A15.02 million, n/ an increase of \$A0.08 million over the previous year. Exports were valued at \$A5.54 million in 1968 and \$A6.48 million in 1969; imports totalled \$A9.40 million and \$A8.54 million respectively. Of all domestic exports in 1969, 55 per cent was represented by copra and 40 per cent by timber, with the United Kingdom and Japan providing the main markets. In the same year, the principal imports, mainly from Australia and the United Kingdom, were food-stuffs (including meat, fish, dairy products, rice, flour and sugar), beverages and tobacco products, fuel, chemicals, machinery and metal products, motor vehicles and boats and clothing.

97. The Government is aware that economic development has been hampered by the inadequacy of the communications and transport systems. In his recent address,

1/ Ibid., Twenty-third Session, Annexes, agenda item 68, document A/7620/Add.1, appendix IV; ibid., Twenty-fourth Session, Supplement No. 23 A (A/7623/Rev.1/Add.1), appendix V.

/ Ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III, paras. 111-124.

n/ One Australian dollar (\$A1.00) equals \$US1.12.

the High Commissioner drew attention to the following measures being taken to cope with this problem: (a) the entry into service of two new vessels with the Government marine fleet; (b) the completion of the major part of the programme for reconstructing the Tulagi Marine Base; (c) the construction of a boat basin at Kirakira; (d) the expansion of the road systems on some main islands, particularly Malaita and Guadalcanal; (e) the completion of the reconstruction of Henderson airfield, which was being used for international flights; (f) the construction of four new airfields and additional airstrips to facilitate inter-island movement; (g) completion of a transport survey in 1969; and (h) the accelerated development of radio and telephone networks.

(b) Land

98. Land policy is concerned with land under public ownership, land owned in accordance with local customary law and land privately owned in freehold or leasehold. Public land is administered to ensure balanced development in urban areas and the best economic usage in rural areas. Land held under customary tenure, which comprises over 90 per cent of the land in the Territory, may be subject to government control where valuable natural assets need protection; there is a statutory bar to the acquisition of land so owned other than by the Government or by Solomon Islanders. Registration of land previously held under customary tenure with consequent tenure conversion has begun and will gradually extend through areas subject to economic development where the owners wish it. Land privately owned by non-Solomon Islanders has also been brought on to the Land Register under the provisions of the land legislation which contain an element of compulsion. Use of such land is subject to the same controls for the protection of valuable natural assets as land under customary ownership. Large areas of the Guadalcanal Plains have been leased for agricultural development by foreign investors. The total area registered by first registration between 1963 and 1969 was 108,191 hectares made up of: public land, 99,691 hectares; perpetual estates held privately, 8,469 hectares; and leases of customary land, 31 hectares.

99. According to a White Paper adopted by the former Legislative Council in 1968, forestry policy has two aims: to establish a permanent forest estate on public land; and to stimulate investment in reafforestation by private enterprise or through international loan funds. One of the main features of an interim programme for 1969-1972 is to increase the area of productive land available for the above-mentioned estate to 500 square miles by purchasing kauri-bearing tracts on two islands. All mineral rights in the Territory are reserved to the Government. Prospecting and mining are subject to control under the Mining Ordinance of 1968.

100. In his recent address, the High Commissioner stated that the Lands and Surveys Department had continued with its objectives of providing and operating a registered land tenure system to meet the more immediate economic and social needs of the Solomon Islands. He noted that in pursuing these objectives, the Department had made several successful attempts to obtain land from owners for various uses. He expressed concern, however, over the widespread suspicion and misunderstanding of the proposals for and nature of the development of land in the Territory, particularly in regard to mineral prospecting, as well as the acquisition of Kauri timber areas. Taking this into account, the Governing Council at its first public session passed the Mining (Amendment) Bill, 1970, under which prospecting companies would be obliged to pay a 5 per cent royalty to the landowners affected instead of to the local councils.

(c) Agriculture

101. In its annual report for 1969, the Department of Agriculture stated that the Territory's economy had relied overwhelmingly on copra exports and that the development of timber resources had gained impetus. But it believed that whatever other economic advances might be achieved in the Territory, agricultural development was likely to remain the principal means by which the standards of living of rural people could be raised. While noting the efforts being made to expand and improve the systems of communications and transport, it nevertheless considered that deficiencies in these systems, as well as the small population continued to handicap agricultural development.

102. According to this report, in 1969, the Territory had largely recovered from the effects of the damage caused recently by cyclones. As a result, copra output rose by 4,177 tons to 24,719 tons, reflecting increases in both the plantation and Solomon Islanders sectors. The latter produced a record 14,063 tons, and new plantings by local farmers were having a significant effect on production. Cocoa remained an important minor export crop; production totalled 95.4 tons, a decline of 9.5 tons from 1968. Commercial rice production suffered a severe setback, brought about by prolonged dry weather and the absence of rain at critical growth periods. Acreage sown fell to 2,775 (4,500 in 1968) of which only a small proportion matured to yield 761 tons (some 4,000 tons in 1968) of rice. Measures were being taken to provide rice fields with irrigation as a supplement to rainfall. Research into coconuts, cocoa, oil palms, rice and other crops was continued, with special attention to the development of major cash crops. In his recent address, the High Commissioner stated that, given the goodwill of local landowners, there were good chances of a successful development of an oil palm industry on Guadalcanal.

103. Both plantation owners and farmers were reportedly showing great interest in cattle. Most of the serious pests and diseases which attack cattle are absent from the islands and the Department of Agriculture is of the opinion that cattle could play an important part in the Territory's economy. In 1969 there were 11,320 cattle in the Territory, principally in Central District.

104. The Department also reported that fishing continued to be primarily on a subsistence basis with the exception of small-scale commercial operations at the main centres.

(d) Forestry

105. As previously noted, ^{o/} two foreign-owned timber companies (Kalena Timber Company and Levers Pacific Timbers) have entered large-scale production. In the interim programme for the development of the timber industry (see paragraph 99 above), the Government proposes not to increase large-scale workings - to a production level of 10 million cubic feet of log timber per annum by 1972, but to reserve supplies to the existing operators. It further proposes to establish a minimum of 10,000 acres of fast-growing hardwoods in exploited areas by line-planting methods.

106. In 1969, production and exports of log timber (all hardwood) were 7.26 million cubic feet - exceeding the projection in the Forestry Policy White Paper

^{o/} Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III, para. 116.

of 1968 and representing a tenfold increase in the four years since 1965. Marketing conditions improved so much that thorough utilization of forest resources available for exports was becoming possible. The Forestry Department's replanting programme, established in 1967, was accelerated with the result that the target set in the White Paper for 1969 was exceeded. The area planted during the year was 2,375 acres, bringing the total to over 3,500 acres. The amount of sawn timber produced and used locally was 200,000 cubic feet (about the same as in 1968).

107. The Forests and Timber Ordinance of 1969 was scheduled to come into operation on 1 October 1970. Its immediate effect will be the introduction of a timber levy, in place of the export duty on timber, and a system of licensing all commercial timber workings, thus enabling the Government to control the development of the industry.

(e) Mining

108. Ever since the reports of an aero-geophysical survey sponsored by the United Nations were released in late 1968, there has been a substantial increase in prospecting by foreign companies for minerals in the Territory. In 1969, mining tenements for prospecting covered 200 square miles, whereas in July 1970, applications covered 5,500 square miles (or about 48 per cent of the Territory's total land area) extending to every island group. An additional area of shallow sea was also the subject of a petroleum prospecting application. In addition to the three companies previously noted by the Special Committee, p/ an undisclosed number of other companies received prospecting licences over areas from Vagina Island in the west to, Santa Cruz in the east.

109. In his recent address, the High Commissioner drew particular attention to the recent activities of the three companies referred to above. The Utah Mining Company, an Australian subsidiary of a United States company, had searched for copper deposits on Guadalcanal, but results had not been very promising so far. On Rennell, the Mitsui Mining and Smelting Company of Japan had proved the target tonnage of bauxite required for mining. Moreover, it had constructed an airfield and a network of roads. International Nickel Southern Exploration, Limited, an Australian subsidiary of a Canadian concern, had made no decision to mine the nickel laterites on Santa Isabel pending the development of a processing technique applicable to the limited tonnage of ore available. The High Commissioner also said that if the development of a mining industry should prove to be a practicable proposition, the Council would be called upon to take far-reaching and responsible decisions in the best interests of the Territory.

(f) Public finance

110. A summary of the Territory's revenue and expenditure for the years 1967-1970 is given in the previous report of the Special Committee. q/ It was estimated that local recurrent revenue would amount to \$A4,217,310 and recurrent expenditure to \$A6,539,570 (including a United Kingdom grant-in-aid of \$A2,314,660)

p/ Ibid., para. 118.

q/ Ibid., para. 121.

in 1970. Capital expenditure during the year was estimated to amount to \$A3,153,230 (including United Kingdom development aid totalling \$A2,613,610).

111. A fifth development plan for the period from April 1968 to March 1970 envisaged a total expenditure of \$A8,420,900, of which \$A5,401,300 was to be financed by the Colonial Development and Welfare Fund. The stated aim of the plan was to develop the natural and human resources of the Territory with the object of strengthening its economy to enable the standards of living of all sections of the community to be raised.

112. In reviewing the Government's financial position, the High Commissioner stated in his recent address that the Territory continued to rely very heavily on financial aid from the United Kingdom, which accounted directly for some 50 per cent of the per capita personal income of the Solomon Islanders. In 1970, the United Kingdom Government provided the Territory with a grant-in-aid of \$A2.3 million, or about 35 per cent of the funds required to meet its recurrent expenditure. He considered it likely that the capital elements of a new three-year development plan being prepared by the territorial Government might inflate recurrent expenditure for a time without an equivalent rise in local revenue. He also considered that the Territory should aim to match its political development with the eventual eradication of the grant-in-aid and development aid. He stressed that the key to increasing local revenue was investment in productive economic activity through the harnessing of all potential wealth of the Solomon Islands and the encouragement of private enterprise, and that the Territory must make its greatest effort in the field of economic development. He pointed out that, in 1970, the Territory had received United Kingdom development aid totalling \$A2.6 million, but it was his view that this aid could not be in itself enough to ensure the future prosperity of the Solomon Islands.

113. The High Commissioner went on to state that the Government had established two new units dealing with statistics and development planning. The latter consisted of three experts sent by the United Kingdom Ministry of Overseas Development to assist the Government in drawing up the new development plan. He emphasized that the whole approach to development planning must become more professional and more dynamic than in the past, if the aim of increasing local wealth was to be achieved.

Social conditions

(a) Labour

114. The total labour force in 1969 was 13,077 workers. Of this number, the Government employed 3,895 persons. Agriculture - the copra industry in particular - and forestry provided employment for 3,253 workers. The acute shortage of skilled workers has brought about an increase in the employment of expatriates, of whom there were 1,010 at the end of June 1969, compared with 994 at the end of June 1968.

115. In his recent address, the High Commissioner said that two manpower surveys had recently been made. The first, covering the needs of the whole Territory, had been carried out by Mr. H.M. Murphy, the Commissioner of Labour in the Gilbert and Ellice Islands. He suggested that the Territory's skilled manpower requirements were considerably greater than what the Government had anticipated.

The second survey had been conducted by the Government covering the composition, growth, localization and training of the public service (see paragraph 93 above). Its conclusions, which in many respects were similar to those of Mr. Murphy's survey, indicated the urgent need for a review of the adequacy of the secondary school facilities in the Territory. This, in turn, meant that the primary school system also had to be examined. The High Commissioner said that a working party consisting of representatives of the Government and private enterprises had made recommendations for the establishment of an apprenticeship scheme making use of the facilities of the Honiara Technical Institute (see paragraph 127 below). These recommendations were being implemented by the Government.

116. The wages of classified workers and labourers in government employment were revised and new rates of pay approved with effect from 1 January 1970. Under these arrangements, the basic wages of newly engaged unskilled workers are \$A1.00 per day. Long-term labourers and artisans receive wages from \$A1.05 per day to \$A3.00 per day, according to skill and experience. Also introduced with effect from the same date was a five-day working week for government employees, who now work more hours in the week over-all. The general effect of the change in rates, coupled with the operation of a five-day week, has been to increase wages by about 10 per cent. According to the administering Power, these new rates compare closely with wages in the private sector. At its first public session held in July 1970, the Governing Council adopted a motion requesting its Education and Social Welfare Committee to look into the feasibility of introducing a minimum or basic wage rate for workers in all occupations in all districts.

117. The only two registered trade unions, the British Solomon Islands Ports and Copra Workers' Union and British Solomon Islands Building and General Workers' Union, remained inactive in 1969. There appeared to be a definite trend, however, towards more stoppages of work: one in 1967, five in 1968 and nine in 1969. On the other hand, only 1,310 man-days were lost in 1969, compared with 3,536 in 1968. During this period, the number of employers' associations increased from two to three: the British Solomon Islands Plantations and Farmers Association, the British Solomon Islands Chinese Association and the Primary Producers and Trade Association of the Western Solomons.

118. On the subject of industrial relations, the High Commissioner stated that there had been no revival of trade unionism, but that joint consultation had shown some progress as a means of communication between management and workers. He added that this form of communication had been established in twenty-two undertakings and felt that, in the absence of trade unionism and in the light of the apparent trend towards more stoppages of work, this procedure should commend itself to employers.

(b) Public health

119. The revised estimate for expenditure on public health by the Medical Department in 1969 was \$A851,822. The estimate for that expenditure in 1970 was \$A929,620.

120. The principal government medical institutions in 1969 comprised a central hospital with 159 beds, five district hospitals with a total of 304 beds and a leprosarium. There were three hospitals (275 beds) maintained by missions. There were also many church centres providing a medical service ranging from first-aid treatment to in-patient hospital care by qualified nurses.

121. In his recent address, the High Commissioner stated that the central hospital was being expanded; that work had been completed on extensions and improvements to a district hospital; and that a new rural hospital (32 beds) had been opened in February 1970. He further stated that difficulties had been experienced during 1969 in the recruitment of medical personnel, but that four Class I medical officer posts would soon be filled by expatriates, thus leaving only one such post vacant. He pointed out that the nursing services had been much improved with a full establishment for almost the entire year and the recruitment for the first time of a nursing superintendent of wide experience, and that the Government had sought to promote further development in the public health field through the conducting of a survey by two experts from the World Health Organization (WHO) in early 1970.

122. In regard to the control of the three major endemic diseases (malaria, tuberculosis and leprosy), the High Commissioner said that the implementation of the malaria eradication policy had continued on schedule. With the exception of the Eastern District, the entire Territory was now under spraying coverage. Although tuberculosis notifications in 1969 had continued at about the same level as in 1968, only a quarter of the new cases had been discovered in the under-fifteen age group. This suggested that a real degree of protection had already been conferred by mass BCG vaccination over the past decade. The thirty-three new cases of leprosy registered in 1969 represented little over half the number notified in the previous year. These figures indicated that the steady decline in the incidence of this disease since 1964 had continued. In addition, substantial improvement in the treatment and rehabilitation of confirmed cases had been achieved by the surgical team at the central hospital. The High Commissioner also said that the existing malaria eradication programme would continue, but that the Government would give priority to the preparation of a new white paper on other aspects of its medical and public health policy.

123. Finally, the High Commissioner referred to the draft Public Health Bill aimed at placing the administration of public health on a much sounder footing. Immediately after his address, the Governing Council passed this bill. It also adopted a motion calling for the revocation of charges for services rendered by government medical institutions to Solomon Islanders in their public wards. During the debate on the motion, four members opposed the abandonment of the medical fees policy which the former Legislative Council had just approved, and proposed that the system of fees of \$A0.50 to \$A1.00 payable by only about 2 per cent of the in-patients in government hospitals be given an opportunity for trial.

Educational conditions

124. The revised estimate for government expenditure on education in 1969 was \$A836,601. The estimate for 1970 was \$A1,011,070, according to the available information. Other educational expenditure included \$A40,000 by local councils, \$A300,000 by churches and \$A22,000 by various private organizations.

125. Education is largely in the hands of the churches. In general, the Government's direct participation is mainly in the field of secondary education, teacher-training and higher education overseas, as well as assistance to the churches and local councils in providing primary education. Education is not yet compulsory and fees are payable in the majority of schools. The following table shows the situation in regard to schools and pupil enrolment during 1969:

	<u>Schools</u>	<u>Enrolment</u>	<u>Teachers</u>
Primary education	305 ^{a/}	14,798	1,768
Secondary education	7 ^{b/}	897	53
Teacher training	2 ^{c/}	174	11
Technical and vocational training	1 ^{d/}	150	13

a/ Five government, 130 aided or scheduled and 260 unaided or unscheduled registered schools, for which enrolment figures are not available.

b/ One government and six aided or scheduled schools.

c/ One government and one aided or scheduled school.

d/ Government school.

126. The Government has continued to implement a five-year development programme set out in a White Paper on Education, approved by the former Legislative Council at the end of 1967. During 1969, the Government scheduled a total of 114 primary schools (an increase of seventy-five over the previous year); made equipment grants to 401 primary classes, six mission secondary schools and one mission teacher-training college; provided capital aid to scheduled schools for twelve different construction projects; expanded teacher-training facilities; paid boarding grants for about 70 per cent of the pupils at senior primary schools; and subsidized salaries for qualified teachers at 124 schools.

127. The most important educational development during 1969 was the opening in January of the Honiara Technical Institute, the first institution of its kind in the Solomon Islands. The former survey and draughting, marine and agricultural training schools were absorbed into the Institute, which also offers basic trade training and commercial courses. Beginning with thirteen full-time courses, the Institute is expected to expand steadily in the next few years. In addition to United Kingdom development aid totalling £250,000, it received assistance in the form of staff and equipment from the International Labour Organisation (ILO) and the Australian and Fiji Governments in recognition of its regional role.

128. The Government and churches each provided ninety scholarships for secondary, technical and higher education overseas in 1969. Eleven scholarships were offered from other sources.

129. With regard to educational development, the High Commissioner stated in his recent address that in early 1970, thirty-six more primary schools had been scheduled. The Honiara Technical Institute had some 300 students (including twenty-five from overseas) and twenty-six full-time instructors. It held fourteen full-time courses and several commercial evening classes.

130. An advisory committee had been established with wide unofficial representation, to ensure that the Institute was meeting the real needs of the Territory. At the beginning of the year, thirty students had been sent abroad with scholarships for degree and diploma training, bringing the total to seventy-five. Twenty-seven of these thirty scholarships had been awarded by the Government.

131. However, the High Commissioner expressed disappointment at the School Certificate results in 1969. He noted that, of the forty-eight candidates, only thirteen had obtained a School Certificate, and that of the 364 individual papers taken in the General Certificate of Education, barely 50 per cent had been passed. Recognizing the need to increase the output from the secondary schools and to raise the standards of English, mathematics and science, in particular, he said that positive steps were being taken to remedy the situation. Moreover, he pointed out that the Territory was faced with wide-ranging educational problems, and considered that urgent attention should be given to a review of the programmes for primary and secondary education as well as teacher training.

ANNEX II*

REPORT OF SUB-COMMITTEE II

Chairman: Mr. Mohammad Hakim ARYUBI (Afghanistan)

A. Consideration by the Sub-Committee

1. The Sub-Committee considered the Territories of the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands at its 132nd to 137th and 142nd meetings between 30 June and 23 August 1971 (see A/AC.109/SC.3/SR.132 to 137 and 142).
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see annex I to the present chapter).

B. Adoption of the report

3. Having considered the situation in the Territories of the Gilbert and Ellice Islands, Pitcairn and the Solomon Islands, the Sub-Committee adopted its conclusions and recommendations on these Territories a/ at its 142nd meeting on 23 August 1971.
4. The Sub-Committee adopted the present report at the same meeting.

* Previously issued under the symbol A/AC.109/L.734

a/ The conclusions and recommendations submitted by Sub-Committee II for consideration by the Special Committee were adopted by the latter body without modification. They are reproduced in paragraph 8 of the present chapter.

CHAPTERS XVII AND XVIII

(A/8423/Add.6 (Part II))

AMERICAN SAMOA AND GUAM AND THE TRUST TERRITORY OF THE PACIFIC ISLANDS

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CHAPTER XVII

AMERICAN SAMOA AND GUAM

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, inter alia, to refer American Samoa and Guam to Sub-Committee II for consideration and report.
2. The Special Committee considered the item at its 830th meeting, on 21 October.
3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2621 (XXV) of 12 October 1970, containing the programme of action for the full implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, and resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration. By paragraph 14 of resolution 2708 (XXV), the General Assembly requested the Special Committee "to continue to pay particular attention to the small Territories, and to recommend to the General Assembly the most appropriate methods and also the steps to be taken to enable the populations of those Territories to exercise fully and without delay their right to self-determination and independence". The Special Committee also took into account other resolutions of the General Assembly, particularly resolution 2709 (XXV) of 14 December 1970 concerning 25 Territories including American Samoa and Guam, by paragraph 8 of which the General Assembly requested the Special Committee "to continue to pay special attention to these Territories and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution".
4. During its consideration of the item, the Special Committee had before it, a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action previously taken by the Special Committee, as well as by the General Assembly, and on the latest developments concerning the Territories.
5. The representative of the United States of America participated in the work of the Special Committee during its consideration of the item.
6. At the 830th meeting, on 21 October, the Chairman of Sub-Committee II, in a statement to the Special Committee (A/AC.109/PV.830), introduced the report of that Sub-Committee concerning American Samoa and Guam (see annex II to the present chapter). A statement was also made by the representative of the United States (A/AC.109/PV.830).
7. At the same meeting, the Special Committee adopted the report of Sub-Committee II and endorsed the conclusions and recommendations contained therein, it being understood that the reservations expressed by the representative of the United States would be reflected in the record of the relevant meeting. These conclusions and recommendations are set out in paragraph 9 below.

8. On 21 October, the text of the conclusions and recommendations was transmitted to the Permanent Representative of the United States to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

9. The text of the conclusions and recommendations adopted by the Special Committee at its 830th meeting, on 21 October, to which reference is made in paragraph 7 above, is reproduced below:

(1) The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples reaffirms the inalienable right of the peoples of American Samoa and Guam to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples contained in General Assembly resolution 1514 (XV) of 14 December 1960.

(2) Fully aware of the special circumstances, due to their geographical location and economic situation, that exist in regard to these Territories, the Special Committee reiterates its view that the question of their size, isolation and limited resources should in no way delay the speedy implementation of the Declaration in these Territories.

(3) The Special Committee notes the statement of the administering Power that the rate of progress in the economic field, among others, has been steadily maintained in Guam. However, no exact figures have been given as to what proportion of the development which has taken place is related directly or indirectly to the existence of the military installations in the Territory. In the absence of such figures, the Special Committee remains of the opinion that economic development still revolves around the existence of military bases. Bearing in mind that the existence of military bases in Guam impedes decolonization, the Special Committee reiterates its view that the dependence of the Territory on military installations and particularly the presence of military bases should be brought to an end as soon as possible.

(4) The Special Committee welcomes the statement of the representative of the administering Power that a high percentage of the eligible voters participated in the 1970 general elections whereby the people of Guam for the first time elected their chief executives. It notes with regret, however, from information given by the representative of the administering Power, that the residency requirement for voters in Guam is only one year and that it is still difficult to determine what percentage of them are from the United States of America. Accordingly, the Special Committee considers that measures should be adopted by the administering Power in order to ensure that voters from the United States do not influence the elections to the detriment of the indigenous inhabitants and the exercise of their political rights. In addition, the Special Committee notes that the public hearings held in connexion with the first Constitutional Convention in 1969/70 dealt with, among other things, the future political status of the Territory, i.e., the possibilities of becoming an incorporated Territory, a state within the United States, independent, affiliated with another nation or a commonwealth. It further notes from the statement of the representative of

the administering Power that public discussions were concerned mainly with the relative merits of the status of an incorporated Territory or statehood within the United States. Bearing this in mind, the Special Committee wishes to reiterate its view that all options, including independence, should be left open to the people of the Territory and urges the administering Power to take steps aimed at reducing the dependence of the Territory on the United States and to allow the indigenous inhabitants to participate fully and freely in an act of self-determination in conformity with the Declaration contained in General Assembly resolution 1514 (XV).

(5) The Special Committee notes the statement of the administering Power that approximately 3,900 employees of the public service of Guam have received net pay increases. It would, however, welcome detailed information concerning the number of Guamanians holding key posts in the public service.

(6) The Special Committee would also welcome clarification of the labour situation in Guam and would particularly welcome information on the number of workers imported from abroad as well as the number of Guamanians seeking employment overseas.

(7) Regarding American Samoa, the Special Committee notes with interest the statement of the representative of the administering Power that the Commission to study the Territory's political status has recommended, inter alia, that the people of the Territory should elect their own Governor and both Houses of their Legislature. Bearing in mind its previous recommendations on this subject and mindful of friction that was recently reported as having developed between the appointed Governor and traditional leaders in 1971, the Special Committee looks forward to receiving the conclusions of the study made by the Political Status Commission as well as of the five-year periodic review of the Constitution which was to be held in 1971. As in the case of Guam, the Special Committee reiterates its view that all options, including independence, should be left open to the people of the Territory and urges the administering Power to take steps aimed at reducing the dependence of the Territory on the United States and to allow Samoans to participate fully and freely in an act of self-determination in conformity with the Declaration contained in General Assembly resolution 1514 (XV).

(8) The Special Committee notes the statement of the representative of the administering Power concerning land tenure in American Samoa and continues to express the hope that the results of the cadastral survey of the Territory will be made known to it in due course.

(9) The Special Committee looks forward to the establishment of the first Community College in American Samoa and expresses the hope that more attention will be paid to the advancement of education in the Territory, in particular to higher education and the training of cadres.

(10) The Special Committee reiterates its concern at the tendency of the administering Power to perpetuate its association with these Territories. The Special Committee urges the administering Power not to prejudge and prejudice the future of these Territories.

(11) The Special Committee also reiterates its concern about the increasing presence and activities in these Territories of citizens of the administering Power, who, for obvious reasons, are able to affect the political process and future of American Samoa and Guam. It urges the administering Power to provide it with detailed information on this important question.

(12) The Special Committee again stresses the importance it attaches to the dispatch of visiting missions to the Territories. In view of the statement by the representative of the administering Power to the effect that the indigenous inhabitants of the Territories are themselves determining the rate and direction of their political progress, the Special Committee expresses the hope that the administering Power would agree that the time has come for it to reconsider its negative position on this question and allow a mission to visit these Territories.

ANNEX I^{*}

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.717.

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

1. American Samoa and Guam have been considered by the Special Committee and the General Assembly since 1964. The Special Committee's conclusions and recommendations concerning the Territories are set out in its reports to the General Assembly at its nineteenth and twenty-first to twenty-fifth sessions. a/ The General Assembly's decisions concerning the Territories are contained in resolutions 2069 (XX) of 16 December 1965, 2232 (XXI) of 20 December 1966, 2357 (XXII) of 19 December 1967, 2430 (XXIII) of 18 December 1968 and 2592 (XXIV) of 16 December 1969.

2. After considering the Territories in 1970, b/ the Special Committee adopted the following conclusions and recommendations:

"(1) The Special Committee notes the statement of the representative of the administering Power that the economic development of Guam, although to some extent attributable to the growth of tourism, the establishment of industries and its development as a communications centre, still revolves around the existence of military installations in the Territory. The Special Committee, however, regrets the continued presence of military installations in Guam, which impedes the process of decolonization of the Territory. It therefore reiterates its view that the dependence of Guam on military activities and particularly the presence of military bases should be brought to an end as soon as possible.

"(2) The Special Committee takes note of a constitutional convention in Guam held with a view to changing its basic constitutional instrument, the Organic Act of Guam, and the holding of general elections in November 1970 whereby the people of the Territory for the first time will elect their chief executives, the Governor and the Lieutenant Governor. It notes further that a Political Status Commission has been consulting on the future of American Samoa and that a constitutional convention is scheduled to be convened in that Territory in 1971. The Special Committee nevertheless considers that the administering Power should stress the political education of the peoples of the two Territories, especially with regard to all options which they have before them, including

a/ Official Records of the General Assembly, Nineteenth Session, Annexes, annex No. 8 (part 1) (A/5800/Rev.1), chap. XVI, paras. 64-71, chap. XVII, paras. 95-102; ibid., Twenty-first Session, Annexes, addendum to agenda item 23 (A/6300/Rev.1), chap. XVIII, paras. 65 and 66; ibid., Twenty-second Session, Annexes, addendum to agenda item 23 (part III) (A/6700/Rev.1), chap. XVIII, para. 81; ibid., Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. XXI, sect. II; ibid., Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. XVIII, para. 11; ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV.

b/ Ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27(e).

independence, and expresses the hope that the above-mentioned measures will lead to a lessening of the dependence of American Samoa and Guam on the United States as well as to further steps that will allow the peoples of these Territories to participate fully and freely in the act of self-determination in conformity with the Declaration contained in General Assembly resolution 1514 (XV) of 14 December 1960.

"(3) The Special Committee expresses its concern at the tendency of the administering Power to perpetuate its association with those Territories. The Special Committee urges the administering Power not to prejudge and prejudice the future of these Territories.

"(4) The Special Committee is concerned about the increasing presence and activities in these Territories of citizens of the administering Power who, for obvious reasons, are able to effect the political process and future of American Samoa and Guam. The Special Committee urges the administering Power to provide it with detailed information on this important question.

"(5) The Special Committee notes the statement of the administering Power that in the public service of American Samoa one employee in fifteen is non-Samoan, and that Samoans are being trained to take over key positions in the Administration as fast as possible. The Special Committee takes note of this policy and wishes to be kept informed of the progress made in this regard.

"(6) The Special Committee welcomes the information that a preliminary land survey has been conducted in American Samoa and expresses the hope that the results of a definite survey which will enable fuller utilization of arable land will be made known to it in due course."

3. In addition, the Special Committee adopted a number of general conclusions and recommendations relating to all the Territories in Asia and the Pacific Ocean considered by it during 1970. These conclusions and recommendations are set out in the Committee's report to the General Assembly at its twenty-fifth session. c/

4. By resolution 2709 (XXV) of 14 December 1970, which concerned 25 Territories, including American Samoa and Guam, the General Assembly, inter alia, approved the chapters of the report of the Special Committee relating to these Territories and requested the Special Committee to pay special attention to them and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution.

c/ Ibid., para. 27 (a).

B. INFORMATION ON THE TERRITORIES

1. AMERICAN SAMOA^{d/}

General

5. Basic information on American Samoa is contained in the report of the Special Committee to the General Assembly at its twenty-fifth session. e/

6. According to the report of the administering Power, the population was approximately 28,000 at the end of the period under review. According to a press report based on figures released by the Census Bureau in Washington, D.C., the population of the Territory increased by 7,718, or 38.5 per cent, from 1960 to 1970, and, on 1 April 1970, it was 27,769. The Immigration Division of the Office of the Attorney General, inter alia, keeps records on all aliens in the Territory. During the period under review, the Alien Control Section reviewed the records of 5,744 permanent resident aliens in the Territory and 2,787 non-resident aliens.

Political and constitutional developments

Constitution

7. The Territory is administered by the United States Department of the Interior. The Governor and the Lieutenant-Governor are appointed by the Secretary of the Interior. The Office of Territories in Washington, D.C. handles American Samoa's relations with all branches of the federal Government. It was reported that residents of American Samoa elected the Territory's first delegate to Washington, D.C., on 3 November 1970. The delegate will not be a member of Congress, but rather will serve as a liaison between the Samoan legislature and various branches of the United States Government.

8. The executive branch of the territorial Government is patterned after models in the United States, with departments operating in such areas as agriculture, public works, legal affairs, public safety, medical services and port administration.

9. The Legislature, created by article II of the American Samoan Constitution of 1966, is composed of a House of Representatives and a Senate, with a membership of twenty and eighteen respectively. Elections were to have been held in November 1970 and the Territory's Constitution was to be reviewed and modified as necessary by a new constitutional convention to be held in 1971.

^{d/} This section is based on published reports and on the information transmitted to the Secretary-General on 23 April 1971 by the United States of America under Article 73 e of the Charter for the year ended 30 June 1970.

^{e/} See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III.D.

10. It was reported that the Governor of American Samoa, Mr. John M. Haydon, in his inaugural address on 5 August 1969 pledged "true involvement of Samoans" in the Government "for the first time". The lack of such involvement, he said, had been the cause of "political unrest" in the Territory. He planned to begin this involvement by consultations with the Legislature on the annual territorial budget before it was adopted, instead of "just handing it to them". In the introduction to the annual report for the period under review, Governor Haydon stated that with "Administration policies and American Samoan desires and aspirations fully in mind, Fiscal Year 1970 saw... (the) joint participation of the Legislature and the Executive in budget making".

Future status of the Territory

11. In 1970, the Political Status Commission set up in 1969 and comprised of Samoan leaders, recommended that the Territory remain an unincorporated part of the United States for the present but that the people elect their own Governor by 1976.

Judiciary

12. In March 1970, the Territorial Legislature adopted a number of bills affecting the judicial structure of the High Court. A Traffic Court, to be presided over solely by a Samoan associate judge was created. This marked the first time that a Samoan was authorized to hear cases without the presence of a United States justice. The proposals for expanding the structure of the High Court included doubling the annual pay of Samoan associate judges, increasing the number of Samoan associate judges from four to five, creating a small claims court, and creating a Matai (traditional chief) title court presided over by three Samoan associate judges. Cases involving disputes over titles of chiefs are heard at present by the Land and Title Court, with four Samoan associate judges and one United States justice presiding. Village magistrates were named in every village of Samoa to handle minor infractions of the law. Testimony may now be conducted solely in Samoan if there are no United States litigants involved. The Government has also set stricter requirements for the licensing of legal practitioners.

13. A legal aid and lawyer referral system was established by the High Court in May 1970. The Government also provides a public defender.

Public service

14. The Government of American Samoa continued to be the largest employer in the Territory during the period under review, despite a decrease in government employees from 2,943 in 1969 to 2,790 in 1970. Of this number, 2,597 were local career service workers, 120 were contract workers from the United States, 16 were federal civil service employees and 57 were locally hired employees from the United States.

15. It was reported that, in August 1969, the Governor promised to abolish the highly criticized dual-wage system of paying Samoans half or in some cases, less, than United States employees for the same work.

Economic conditions

General

16. In his introduction to the annual report on the Territory, the Governor of American Samoa states, among other things, that the period under review saw the following programmes initiated: completion of the sale of the Bank of American Samoa to afford entry of private banking and establishment of the Development Bank of American Samoa; establishment of a Department of Economic Development and Planning financed in part by the Economic Development Administration; establishment of a Division of Marine Resources to give proper emphasis to the future growth of fisheries and oceanography in the Territory; revitalization of the Department of Agriculture under Samoan leadership; creation of the Office of Special Assistant for Transportation to plan and execute long-needed programmes in air, water and land transport; reorganization of the Department of Public Works to programme and design projects systematically in order to avoid duplication of effort and fiscal irresponsibility.

17. The basic legislative mandate of the Development Planning Office, which is directly responsible to the Office of the Governor, was to prepare a plan for economic development to include labour transportation, land use, industrial and commercial sites and centres, financing, a regulatory framework, sources of outside capital and the identification of specific private development opportunities.

18. The office prepared and disseminated investment and business location information to approximately 300 manufacturing firms in the United States. Active interest was expressed by approximately 50 companies in various fields, including electronics, apparel, fishing gear, luggage, furniture, industrial gases, wire products, petroleum distribution, boat-building, hotels and tourist activities. Outside investors were informed of government policy to maximize the economic impact on American Samoa by the participation of Samoan capital, the employment of American Samoans to the greatest extent possible and the neutralization of any deleterious effects of a business operation on American Samoa's ecology and environment.

Public finance

19. The Government of American Samoa is financed by local revenues which are supplemented by appropriations and grants-in-aid from the United States Congress and by grants from other federal agencies. The Governor's Office and the High Court operate under direct federal appropriations. In 1969/70, the Legislature was financed by local revenues and direct federal appropriations. Congressional grants and direct appropriations for the fiscal year 1970 totalled \$US8.1 million, f/ compared with \$US6.6 million for the previous year. Local revenues were \$US5.2 million, compared with \$US4.6 million in 1968/69. Grants from other federal agencies were \$US1.9 million, compared with \$US.8 million in 1969 and \$US.5 million in 1968.

20. The value of imports increased from \$US12.2 million to \$US15.7 million during the fiscal year 1970. Exports rose from \$US24.1 million to \$US36.7 million during the same period.

f/ The local currency is the United States dollar (\$US1.00).

Land

21. During the period under review, a land tenure and cadastral survey study was undertaken by the Bureau of Land Management as a result of the Wolf Management Services Economic Development Report. Several steps also were initiated to encourage American Samoans to utilize a portion of their land for development and income producing purposes.

Agriculture

22. The Department of Agriculture had a very successful year, after several reorganizations. Banana unloadings at the government-operated Fagatogo produce market increased from 170,000 to 550,000 pounds; coconuts from 360,000 to 955,000 nuts; vegetables rose from 42,000 to 113,000 pounds; and fruits increased from 55,000 to 80,000 pounds.

23. Production acreage was up from 145.5 acres in 1969 to 180 acres in 1970, with a shift from taro to bananas. Taro production decreased from 103 to 85 acres and banana production increased from 13 to 65.5 acres. The Department's imports of taro dropped from 1,112,000 to 450,000 pounds, and government imports of bananas was down from 710,000 to 8,300 pounds.

24. In 1968/69, the Bank of American Samoa granted crop loans totalling \$US13,814. Midway through 1969/70, the Bank had granted \$US2,273 in crop loans and, for the first time, \$US3,500 in livestock loans. The Agricultural Department's Extension Services continued to work with both commercial and subsistential farmers. Ten agents made a total of 3,607 farm visits and served 2,814 farmers in the course of these visits.

Fisheries

25. The Office of Marine Resources was established in the year under review. Its primary responsibilities include development of commercial and big game fishing industries and effective management of marine resources. At the end of the period under review, a three-year handline bottom fishing survey was terminated. Results of the survey indicated bottom fish resources capable of supporting a viable fresh fish fleet.

26. American Samoa joined with Hawaii, Guam and the Trust Territory of the Pacific Islands in the formation of a Pacific Basin Development Commission, the first goal of which is a programme to utilize the virtually untapped skipjack tuna resources of the Pacific.

27. Tuna exports during the year totalled 2,854,265 cases valued at \$US33,018,237 (the value of exports in 1970 was \$US36,735,381).

Tourism

28. According to the administering Power, more than 15,000 visitors stayed one night or more in American Samoa during 1969/70, an increase of 18 per cent over the total for the previous year. The lack of available hotel rooms, however, limited the number of visitors who could stay for longer than one day.

29. American Airlines was to start a weekly flight between New York (United States) and Auckland (Australia) on 2 August 1970, with stops in Hawaii and American Samoa. Still to be decided is the local route, which would give American Samoa closer ties with all other Pacific island groups.

30. The Matson Navigation Company announced that it would no longer operate the cruise ships Monterey and Mariposa on the South Pacific runs. Pacific Far East Lines later purchased the ships and has planned to continue service for the time being. A Seattle (United States) firm announced that it planned to begin a heavy cruise schedule in late 1970, with American Samoa the midpoint of a run between Fiji and Tahiti; and the Peninsula and Orient Lines increased its cruise activities to include American Samoa in their ports of call.

31. Pago Pago International Airport showed an increase in air traffic, with 3,516 aircraft landings, compared with 1,532 for the previous twelve months - an increase of 129.5 per cent.

Public works

32. The Department of Public Works concentrated on construction during 1969/70, with work on twenty-three major projects. The Eastern District road on Tutuila was paved to Tula, and work was completed on extensions of primary and secondary roads throughout the Territory. Village trails in the Manua Island and on Tutuila were graded, widened and extended.

33. The most significant change in operation of the Marine Railway Division was the addition of a new 800-ton shipway, which began service in August 1969. During the first seven months of the fiscal year 1970, the Marine Railway operated at a loss, owing to the low production level of ship repair work. During the last five months of the year, the workload increased and a profit was realized. Total revenue during the year was \$US528,000; 80 vessels were hauled and 739 jobs were processed.

Social conditions

Labour

34. During the period under review the Star Kist Company, which is served by ninety-two fishing boats manned by 1,840 oriental fishermen, employed approximately 550 Samoans with an average monthly payroll of \$US75,000. The Van Camp Company, which is served by sixty fishing boats with 1,080 oriental fishermen, had a Samoan working force of about 558, with an average monthly payroll of \$US102,000. Other firms which employ a large portion of the population include retail and wholesale stores and construction companies, but actual figures on the number of employees are not available.

35. The minimum hourly wages under an act adopted on 5 June 1970, range from \$US0.55 for the shipping and transportation industry, to \$US1.30 in the petroleum marketing industry.

36. At 30 June 1970, there were 910 persons receiving monthly social security payments totalling \$US363,400 a year. Of this number, there were 136 retired workers, 34 disabled workers, 84 wives, 570 children, 76 widows and 10 parents.

Public health

37. During the year under review, the Lyndon B. Johnson Tropical Medical Center completed its first full year of operation. The Center arranged 29,373 in-patient days and 95,297 out-patient visits, with 4,617 hospital admissions. The staff consisted of one part-time and seven full-time fully qualified medical doctors.

38. The Department of Medical Services became a full member in the Partnership for Health Plan, receiving approval for \$US418,100 in public health service funds for a variety of vitally needed projects. The Department also entered into a contract with the University of Hawaii School of Public Health. Under the contract, the University will provide consultation, direct services, and urgently needed teaching in several fields of public health and mental health.

39. According to a press report, Governor Haydon has stated that 71 per cent of American Samoans have inadequate fire protection and 40 per cent are without piped water supplies. He said that the per capita income was only one third of that in the United States. He pointed out that American Samoa needed a \$US35 million budget for five consecutive years before it could overcome serious problems. In 1972, the budget will be a record \$US29 million.

Educational conditions

40. Early in 1970, after an executive and legislative study of several proposals, the University of Hawaii was chosen as educational consultant to American Samoa. Plans were made to start American Samoa's first community college and, after an absence of seven years, to reinstate vocational training in the four high schools.

41. Special emphasis was placed on an Early Childhood Education Program for approximately 2,200 pre-school children. Early childhood centres were established in village fales, with mothers and fathers trained as the teachers. There are now 2,200 pre-school children attending 85 village centres with 85 trained parent teachers. There are also 200 Samoan men and women in teacher training for the village programme.

42. The community college has been designed to provide programmes for college preparation, general education, vocational technical training and adult continuing education. At the end of 1970, there were nearly 200 students in the teacher-training division; approximately 75 had signed for waiter/waitress, auto mechanics and clerical classes; 80 for general education classes; 70 for vocational courses and 80 for an English programme.

43. About 250 full-time and 300 part-time students were expected to apply for the fall 1970 session, and 40 student nurses were expected to participate in a two-year programme leading to a certificate for licensed practical nursing.

44. Educational television continued to be used as a major tool in the elementary and secondary grades.

2. GUAM^{g/}

General

45. Basic information on Guam is contained in the report of the Special Committee to the General Assembly at its twenty-fifth session. ^{h/} The population of Guam has increased by approximately 32 per cent, from 66,000 in 1960 to 87,000 in 1970. Two fifths of the 1970 population comprise military personnel and their dependants. The enactment of Public Law 10-44 by the Tenth Legislature provides the Territory for the first time with a means of obtaining vital statistics and of maintaining a territorial registrar of vital statistics. For the period under review, Guam registered 2,787 births and 406 deaths. Compared to the previous fiscal year, a marked increase of 18.7 per cent was noted in births and an 8.8 per cent increase in deaths.

Political and constitutional developments

Constitution

46. The Territory is administered under the Organic Act of Guam, 1950, as amended, and comes under the general supervision of the United States Department of the Interior. The Territory is administered by a Governor and Lieutenant-Governor and has a unicameral Legislature consisting of 21 representatives elected by universal adult suffrage. An elected official represents the Territory in Washington, D.C. Although Guamanians are United States citizens, they are not eligible to vote in national elections nor does their representative have a vote in the United States Congress.

47. The activities of the Constitutional Convention, comprising 41 delegates from various districts, received major attention during the year under review. Delegates introduced several amendments to change, alter or repeal outmoded or obsolete provisions of the Organic Act.

48. The Guam Legislature is empowered to pass tax laws and appropriations for the fiscal operation of the Government and to legislate on all matters not inconsistent with federal laws applicable to the Territory.

Elections

49. Guamanians, for the first time in their history, elected their chief executives on 3 November 1970. They retained Dr. Carlos G. Camacho as their Governor and elected Mr. Kurt S. Moylan as Lieutenant-Governor. The two campaigned on the Republican Party ballot and will serve for four years. The 21 members of the Legislature were elected at the same time for a two-year period. Six of the 21 seats were won by members of the Republican Party. The previous Guam Legislature was made up entirely of Democrats.

^{g/} This section is based on published reports and on the information transmitted to the Secretary-General on 15 June 1971 by the United States under Article 73 ^e of the Charter for the year ended 30 June 1970.

^{h/} See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III.D.

50. In February 1971, the newly elected Governor submitted to the Legislature a bill dealing with gubernatorial succession. The proposal provides for the filling of temporary and permanent vacancies in the offices of Governor and Lieutenant-Governor. The Governor proposed that if a permanent vacancy occurred in the offices of both Governor and Lieutenant-Governor, the Speaker of the Guam Legislature should succeed to the post of chief executive for the unexpired term. Under the Organic Act, if a vacancy occurs in the Office of the Governor, the Lieutenant-Governor fills the office. A vacancy in the Office of the Lieutenant-Governor is filled by gubernatorial appointment with the advice and consent of the Legislature. The Organic Act also provides that if the Lieutenant-Governor is absent from the Territory or serving as Acting Governor, the Speaker becomes Acting Lieutenant-Governor.

Public service

51. During the year under review, the Governor of Guam approved two pay increases for government employees, as well as a salary classification and readjustment. The first increase covered the first twenty salary steps in the classified service. The second increase benefited virtually all employees, with the exception of unclassified workers.

52. The Civil Service Commission, assisted by the Department of Personnel Services in Hawaii, set up new classification standards which were approved by the Governor and became effective 1 July 1970. The new classification plan groups similar positions in order that the same salary range can be applied. It also groups related classes of positions in order to facilitate comparisons and to determine appropriate pay differentials.

53. The study resulted in the upgrading of 356 "graded" positions, while 68 were downgraded and 141 remained unchanged. In the case of "ungraded" positions, 139 were upgraded, 101 were downgraded and 17 were left unchanged. Of the employees affected by the revised plan, casuals not included, 3,844 were upgraded, 146 were downgraded and 1,214 remained unchanged. Net pay increases went to approximately 3,900 employees.

54. The Commission reviewed 161 new classes of positions which were created by the Governor. Of these, 127 were approved, 34 were disapproved and 21 were abolished.

Future status of the Territory

55. Early in 1971, Senator Daniel Inouye of Hawaii proposed, inter alia, legislation to give Guam a non-voting representative in the United States House of Representatives. However, on 23 April 1971, Governor Camacho, appearing before the United States Congress, proposed that Guam be granted a voting representative in Congress.

56. In his annual message on the State of the Territory, delivered at the opening of the Eleventh Guam Legislature, and on other occasions, particularly during his visit to Washington, D.C., Governor Camacho reportedly stated that all his efforts would be oriented towards the attainment of statehood in forthcoming years. The people of Guam, he said, wanted more recognition from the mainland and the Administration was publicly committed to foster legislation in Washington, D.C. that would make Guam the fifty-first state of the Union. The Governor recognized,

however, that the climate for this step was not yet favourable, and admitted that serious opposition existed within Congress, based on the distance Guam was from the mainland, and on its economic ability to stand as a state. He doubted that the goal of statehood would be achieved during his term of office.

57. Governor Camacho also said that he was in no position to take an active part in the reintegration movement of the northern Marianas. He said, however, that if all the Mariana Islands should become one Territory, the chances for statehood would be enhanced.

Economic conditions

General

58. Although Guam is limited in natural resources, it is one of the important military bases in the Pacific, thereby providing an important wage economy for civilian residents. The economic condition of the island is stable, with tourism contributing to the growing civilian economy, as evidenced by high retail sales, tonnage clearances at the Commercial Port, private and commercial construction and bank clearances.

59. During the year under review, the Guam Economic Development Authority (GEDA) reportedly helped to achieve a more satisfactory balance between civilian and military economic forces and at the end of the year reported that the gross receipts of \$US245 million i/ had exceeded the previous year's record by \$US30 million. GEDA approved two qualifying certificates for the San Miguel Brewery and the Okura Hotel, two large-scale industries now under construction.

60. It was reported that the brewery, representing a \$US3 million capital investment, would be located on 25,015 square metres of land at Harmon Field. This is the eighth plant of the San Miguel Brewery. Others are situated in the Philippines, in Hong Kong and Spain. Since most of its operations are automatic, only 30 to 35 persons are to be hired locally. The brewery hopes to export beer to other places in the Pacific as well as to the mainland of the United States.

61. It was further reported that the Governor of Guam had awarded a \$US195,000 contract to Greenleaf, Telesca-Ahn to prepare a comprehensive master plan to guide the Territory's development and growth over the next twenty years. In this connexion, it had previously been reported in the press that in order to qualify for grants and loans from the United States Government, the Territory had been requested by federal agencies to present a master plan. The master plan would be a guide for the co-ordination and allocation of public and private resources to attain economic, social and environmental goals in the development of Guam over the next 20 years. It would involve an analysis of existing data and plans. Goals and performance standards would be set and alternatives for achieving these goals would be recommended. The plan would be reviewed by the Government's Liaison and Technical Evaluation Committee, which is composed of professional and technical representatives of each governmental department and agency. Following this review, the plan would be submitted to the Territorial Planning Commission for public hearing and final approval by the Governor.

i/ The local currency is the United States dollar (\$US1.00).

62. The administering Power, in its report for the period under review, stated that in order to meet the fast pace of economic development, the Department of Commerce had completed master plans for civilian air terminal expansion, the Agaña Boat Marina, a zoological park, floral and botanical gardens and an aquarium. Additional plans were being made for other developments.

63. Several new industrial enterprises were reported to have been established, among them the Guam and Oil Refining Company (GORCO), the Guam Tokyu Hotel, the Continental Travelodge, the Pulantat Earth Station, the First National City Bank, the First Hawaiian Bank, Seatrain Lines and Trans World Airways.

64. GORCO represents a \$US15 million investment. Principals in the company first investigated Guam as a location for a crude oil refinery in 1966 and the corporation was chartered in 1967 when an application was submitted to GEDA. GORCO received its qualifying certificate in July 1968 and construction on the 508-acre tract began in March 1969. The primary products of the refinery are jet fuel and fuel oil. To operate these facilities, GORCO will employ approximately 60 persons who, with the exception of 9 key personnel, have been recruited and trained in Guam.

65. The Economic Research Center consolidated much of the currently available economic data relating to Guam into a centralized file system. Information gathered was compiled and printed on a quarterly basis in the following publications: Statistical Abstract, Guam 1970; Guam Business Directory, 1970; Facts about Doing Business on Guam; Quarterly Review of Business Conditions on Guam; and Annual Review of Business on Guam.

66. In August 1970, Governor Camacho attended an Investors Conference in Hawaii. At a press conference in Guam, following his return, the Governor stated that the Territory had an "open arms" policy vis-à-vis investors and that he would like to see more entrepreneurs and investors coming from the mainland United States. He reported that a number of participants in the conference had questioned the availability of land and water, laws on licensing and housing for labourers. Another question concerned Guam's 30 per cent corporate tax which, in his opinion, was a deterrent to potential investors. He had inquired about the status of the bill sponsored by United States Senator Quentin Burdick to eliminate the tax and had been told that it would probably be acted on late in 1970 or early 1971.

67. It was reported that the Tenth Guam Legislature had adopted a resolution on 26 June 1970 supporting the idea of a common market between Guam and the Trust Territory of the Pacific Islands, and inviting steps to implement such a proposal.

68. Four new Diesel generators have been ordered by the Guam Power Authority (GPA) and were expected to be in operation by February 1971. The GPA hopes to set up a 25,000 kw steam plant at Tanguisson Point, in line with its object of providing an island-wide power system.

Public finance

69. General revenue and expenditure in 1969/70 totalled \$US60,342,819 and \$US58,697,072, respectively, compared with \$US46,333,982 and \$US43,648,135 for 1968/69.

70. During the period under review, the Administration's Fiscal Management Division, which is responsible for the receipt, deposit and disbursement of all public funds, turned over the following revenues to the General Fund from the sources indicated: income taxes, \$US21,067,302; business privilege taxes, \$US11,381,279; real estate taxes, \$US1,438,742; licences and registration, \$US1,183,698; miscellaneous revenues, \$US15,306; federal agencies' withholding taxes, \$US5,107,726; and other receipts, \$US20,148,767. Federal grants-in-aid received for thirty-one different government programmes amounted to \$US4,102,600. A total of \$US8,844,878 in letters of credit was also deposited to the government account.

71. During the fiscal year, the Department of Revenue and Taxation concentrated on the cash collection of delinquent accounts. The aggregate amount, the largest in the history of the Guam Government, was \$US3,142,599.

72. During 1969/70, a total of \$US50,495,000 had been appropriated under the Rehabilitation Act for a total of 59 projects. This represented loans of \$US30,268,639 and grants of \$US20,226,360. Of this sum, \$US41,278,299 has thus far been expended by the territorial Government.

73. In August 1970, it was reported that the Governor had signed a bill appropriating \$US4.771 million for capital improvements and special projects. Funds were to be assigned for the Guam Housing Corporation, the Student Summer Employment Program, the improvement and construction of highways, roads, streets, bridges and sewer systems; plans and specifications for the construction of an elementary school and other school projects; recreation projects; the Guam Memorial Hospital; research into the eradication and control of the starfish menace; and for expenses involved in the orderly transitions from the existing to the new administration following the first gubernatorial election in November 1970.

74. Efforts to ease Guam's power problem were reportedly given a further boost in October 1970 with the sale of an additional \$US5 million worth of bonds by the Guam Power Authority (GPA) to the Bank of America. According to the Chairman of the Board, the Bank of America has already committed itself to buy a total of \$US11 million in bonds from GPA. Of the \$US5 million received by GPA, \$US1,730,500 was to be held in reserve for note payments, interest and principal; \$US1 million was to be used for payments on Diesel generators; \$US750,000 was to pay for the preliminary work at Tanguisson Point; \$US500,000 was to be reserved for a power barge on which the GPA has made a firm lease offer to the United States Navy; and \$US1,019,500 was to be spent on plant additions and improvements.

Agriculture

75. Local agricultural production was valued at more than \$US2.3 million in 1969/70. This represented an increase in output of some 28 per cent, compared with an average annual increase of 13 per cent over the previous three years. Significant gains were made especially in egg production, which increased from 1.3 million dozen in 1968/69 to nearly 2.2 million in 1969/70. Local fruit and vegetable production increased by 7.6 per cent, from 2.2 million pounds in 1968/69 to 2.4 million in 1969/70.

76. The Department of Agriculture registered a total revenue of over \$US53,000 for 1969/70, compared with a combined total of \$US62,000 for 1967/68 and 1968/69. Over 1.6 million live animals were imported into Guam during the year, with layer pullets, fish, fruit bats and game cocks making up most of the imports.

77. Small loans amounting to \$US114,450 were granted to 24 qualified farmers and loan payments came to \$US18,343 at the end of the fiscal year. At present, 73 permanent and 4 temporary agricultural land leases are in effect.

78. Agents of the Extension Service Division assisted farmers by devising planting schedules aimed at minimizing extreme market fluctuations of certain crops at certain times of the year. A number of field demonstrations were held, which included side-dress fertilizer applications, the use of new farm machinery, fumigation techniques and the planting of new vegetable varieties. A Poultry Club was organized to upgrade management practices through educational meetings; 13 members are at present registered with the club.

79. Extension agents underwent three months of intensive classroom and field training in agricultural co-operatives, plant pathology and chemical weed control. More in-service type training is scheduled for the coming year.

80. Farm equipment services were extended to 569 bona fide farmers. Approximately 241 acres of land were cleared, 245 acres were plowed, 64 acres mowed, 66 acres of vegetable and fruit crops sprayed, and 721 fruit trees sprayed. The recruitment of a plant pathologist during the year expanded the scope of technical assistance available to Guam farmers and home gardeners. Using disease-resistant tomato and eggplant root stock, tomato grafting experiments were initiated to test various methods of combating tomato plant diseases. Commercial farmers and gardeners purchased 357,180 vegetable and 6,707 fruit tree seedlings. In an effort to expand nursery production and "pilot test" additional vegetable varieties, a modified greenhouse, now under construction, was expected to be completed by October 1970.

81. Great strides were made in the melon fly eradication programme and over-all operational costs were reduced to a monthly average of less than \$US5,000.

Livestock

82. Twenty-two purebred hogs were imported during the period under review. During the year, 148 swine farmers and seventy-three cattle farmers utilized the government stud service. A total of 5,800 pullets and 840 "straight run" chicks were sold to local egg producers. The Department's livestock sales for breeding purposes amounted to 60 head of cattle and 165 hogs.

Fisheries

83. A total of 20,644 Crown-of-Thorns starfish (Acanthaster planci) have been removed or killed by injection with formalin. Eradication teams reported that a large concentration of starfish was located off Catalina Point and was moving down the exposed eastern coastline. Another concentration was located in the Tipalao-Anae Island area. It is estimated that the bulk of starfish located in the shallow inner reef in the Asan-Piti area has been destroyed. In 1970, the Territory joined with Hawaii and other Territories administered by the United States to form a Pacific Basin Development Commission (see paragraph 26 above).

Forestry

84. The Agricultural Department's Forestry Development Program concentrated on planning for federal co-operative aid in the areas of reafforestation, fire control and the production of planting stock. Planning for a co-operative aid planting programme was begun in February 1970.

Land utilization

85. In an effort to increase the local production of fresh fruits and vegetables, it was reported that the Department of Agriculture had urged private landowners to make their unused lands available for agricultural use. Under this new approach, the landowners would clear and prepare fertile agricultural land for planting, and interested farmers would lease the area for a certain percentage of their crop yields. The Department of Agriculture would then give technical advice to both parties to help insure success. In conjunction with this project, one landowner in 1970 cleared and prepared some 50 acres of prime agricultural land in Inarajan. These acres were then leased to seven farmers who planted beans, tomatoes, melons, cucumbers and peppers. The project is a departure from the long traditional dependence on government land.

86. In August 1970, Governor Camacho reportedly approved Public Law 10-196 which increased the period required for publication of notice in the sale or transfer of government land from 10 to 30 days and required that the notice be printed in a newspaper. Previously, such public notices might be published in the paper once or posted on bulletin boards in various districts. At the same time, the Governor pocket-vetoed a bill which would have required public hearings in the exchange of private for government lands as well as legislative approval for the exchange. The present law required approval by the Director of Land Management and by the Governor before such an exchange could be made. The administering Power reports that the number of land documents recorded in the general index during the year totalled 4,924.

Tourism

87. At the end of the period under review, the functions and inventories of the Guam Tourist Commission were transferred to the newly formed Guam Visitors Bureau, a quasi-autonomous agency to which private individuals and organizations are permitted to contribute. They may also participate in its management. The Bureau functions under the executive direction of a seven-member board of directors, with the Director of Commerce as Chairman.

88. Despite the fact that many young Japanese couples still favour Guam for their vacation, loaded planes, high occupancy rates at hotels and the lack of entertainment facilities are, according to several experts on tourism disappointing older tourists from Japan. The "rosy tourist picture" usually given was condemned as dangerous by the Pacific Area Travel Association's Travel and Marketing Development Information Seminar for Guam, held in December 1970.

89. In line with the development of tourism in the island, a contract was signed in March 1971 for the construction of a 230-room hotel at Tumon Bay, to be completed in eighteen months at the cost of \$US 7 million. In 1970, it was

reported that there were 700 rooms available to visitors, but by the end of 1971 it was expected that 1,300 would be completed. Statistics show that the estimated 50,000 tourists who visited the island during the period under review spent approximately \$US15 million during their stay.

90. An estimated \$US225,000 was expected to be collected during 1970/71 through the 5 per cent visitor's hotel tax which came into effect on 1 August 1970 and which is to be used to develop tourist attractions.

Transport and communications

91. The administering Power has reported a significant development in the operations of the Air Terminal. Legislation was adopted establishing the Guam International Air Terminal Fund and giving the Director of Commerce autonomy for all operations related to and connected with the Air Terminal. Under the law, the Director may borrow money to finance capital improvement projects and other major undertakings. The construction of a multipurpose building was also planned.

92. In air travel, the International Air Terminal witnessed the inauguration of flights by a third international carrier, Trans World Airlines (TWA). TWA joined Pan American World Airways and Air Micronesia/Continental Airlines as tenants at the Air Terminal. Air Pacific, Inc., which provides air taxi service and chartered flights, began its non-scheduled flights between Guam and the Trust Territory. Late in 1970, Japan Air Lines was expected to begin service to Guam.

93. Nineteen shipping lines make Guam a regular port of call. In mid-1970, shipping services were begun by Seatrain Lines between Honolulu, the West Coast of the United States and the Territory. A total of 76 United States and 197 foreign vessels called at Commercial Port in the period under review. Seatrain Lines has reportedly announced that a lower tariff covering containerized cargoes and vehicles between Hawaii and Guam was to take effect 1 December 1970. Breaking a century-old precedent, Seatrain's new tariffs were to be 10 to 15 per cent lower than those now in effect. The practice has been, in most Pacific conferences, to set the same rates from Hawaii to the Far East and the South Pacific as those from the United States mainland to the same destinations. Although the new tariff will benefit Hawaii more than Guam, it should help to make Hawaii a transshipment centre for certain customers in Guam and allow suppliers on Guam to receive parts and equipment from Hawaii within nine days of ordering.

94. The construction of new roads was a significant achievement in capital improvement during the year under review. The Public Works Department estimated that \$US985,556 would be expended to complete road construction for Lada Avenue, Ysengsong Road/Santa Rita Bridge and Road; Conga Road and Inalado Road which were begun in early 1970. Much more significant was the widening of Marine Drive from Agana to Tamuning and the completion of the Paseo Loop. A project for the construction of a highway in the central part of the Island with limited access to certain areas has been adopted and has been included in the Federal Aid Highway Act of 1970 which will provide Guam with a grant of \$US6 million during the next three years. The Federal Aid Highway Act provides for development of three types of highways: arterial highways, collector highways and expressways with limited access roads. The complete Highway Act includes cost of adjustments needed to reduce adverse economic environmental and other impacts of highway development project. At a 70 to 30 per cent ratio, Guam could receive the maximum grant of

\$US2 million for the fiscal year 1971, but would have to put up \$US850,000 of local funds before the next fiscal year begins on 1 July 1971.

Social conditions

Labour

95. The Governor has designated the Department of Labor as the agency for manpower services and training. This has resulted in the transfer of several labour agencies to the Department and has made it possible to co-ordinate its programmes more closely with the Guam Employment Service. This innovation was introduced in order to deal with the manpower shortage, particularly in the skilled professional and service categories, which was aggravated in 1970 by the opening of more new hotels. During the period under review, four manpower training projects were carried out under the Manpower Development and Training Program with 87 trainees participating. Of the 47 trainees who graduated, 42 were placed with private industry, the United States Navy and the Government of Guam. In connexion with the shortage, administrative action by the Governor, in co-ordination with the United States Immigration and Naturalization Service, phased out the Reconstruction and Rehabilitation Program as at 14 May 1970. Alien workers on the island received a new visa classification.

96. According to the administering Power, a total of 12,410 job openings were reported by the Guam Employment Service during the period under review, from the Government of Guam, military establishments and from the private sector. Of these, 11,655 were filed by employers for the importation or extension of stay of alien contract workers. A total of 114 requests for alien employment certification were received by the Service and transmitted to the regional office in San Francisco for appropriate action. Of the 114 requests, 71 were approved and 32 were denied.

97. During the past fiscal year, 1,018 applications for vacancies in the Government of Guam were received. In the absence of government jobs, the local office registered and referred applicants for private employment. The Guam Chamber of Commerce released figures showing an immediate need for 2,000 workers and stated that 3,000 would be needed in the next few months. It was predicted that about 20,000 new workers would be needed within the next five years.

98. It was reported in August 1970 that the Acting Governor had signed into law a bill increasing the minimum wage on Guam to \$US1.75 an hour (Public Law 10-171). The new law was to be administered by the Department of Labor. The increase would benefit some 11,000 employees in private industry as well as 628 classified civil service employees and certain categories of substitute teachers.

Housing

99. Early in 1970, twelve family dwelling units were completed in Mongmong as a part of the 250 units authorized and financed by the United States Department of Housing and Urban Development through an agreement signed in 1966 with the Guam Housing and Urban Renewal Authority. This Authority was set up to implement low-rent public housing projects and the urban renewal projects in Sinajana and

Yona. The units range in size from one to six bedrooms and are to be constructed at an estimated cost of \$US5.1 million in federal funds. The units are currently being built at six different sites in Sinajana, Agana Heights, Mongmong and Toto.

100. In addition, a programme reservation for 100 units of low-rent public housing has been requested by the Guam Housing and Urban Renewal Authority. These will be built in Yona to provide rehousing facilities for families to be displaced by urban renewal in that village. The estimated cost of this project is expected to be approximately \$US2 million.

101. The development of a \$US300,000 subdivision authorized by the Ninth Guam Legislature was well under way. The project calls for development of 18 acres of land into 54 residential lots, averaging 6,500 square feet in size. It is located on the southwest edge of Sinajana village adjacent to the Urban Renewal Program site. These house lots will be made available for sale on a priority basis to families who will be displaced by urban renewal action in Sinajana.

102. Work continued on the urban renewal programmes for Sinajana and Yona. The Sinajana programme has been under way for over a year and is expected to cost \$US12,292,040. It is financed on a 75/25 per cent matching basis by the federal and local governments. The federal government has reserved \$US3,821,115 for the Yona project and the local share amounts to \$US1,230,345. Under the Sinajana Urban Renewal Project, 258 private structures will remain and 426 will be acquired by GHURA for removal. In Yona, only 81 structures will remain and 156 will be acquired for removal.

103. The Guam Housing Corporation processed 100 applications for loans totalling \$US1,456,800 and approved 38 valued at \$US564,400. As at the end of June 1970, 62 applications totalling \$US892,400 were awaiting availability of funds. Undisbursed proceeds of loans approved during the year was \$US189,876. The Corporation operates on a revolving fund of \$US3,095,000 appropriated by the Legislature, and derives its revenues mainly from interest on loans.

104. The Guam Rental Corporation's low-rent housing project, known as Lada Gardens in Dededo, was completed in November 1969 and all but one of the 114 units have been let. The project was built by Kaiser-Hawaii Kai Corporation at a total cost of \$US1,869,800.

105. In July 1970, it was reported that the Governor had signed into law a bill authorizing condominium apartment ownership, a measure expected to benefit the island in coming years when its small size becomes more apparent. It will permit an individual to own his home, while still conserving use of land. Under the new law, the Territorial Planning Commission is to regulate and enforce condominium projects. Before a condominium project is offered for sale, the developer must notify the Commission in writing. Early in April 1971, Governor Camacho officiated at the ground-breaking ceremonies of Guam's first condominium. The 214 unit, eight storey-structure is to cost \$US5.5 million and is scheduled to be completed in eighteen months.

106. In August 1970, Governor Camacho reportedly also approved an appropriation of \$US400,000 for the construction of residential subdivisions in Agat and Santa Rita. The amount was made available under Public Law 10-195 and followed a 1969 law

authorizing the creation of a 186-acre subdivision in Agat. The appropriation also included funds for another subdivision of government land in Santa Rita. The sale of at least 100 house lots would be made on priorities. First preference would be given to Agat and Santa Rita residents who are landless. The second priority would be to bona fide residents of Guam who do not own fee simple property in the Territory. The new law also provided similar arrangements for the sale of lots in the As-Tumbo subdivision of Dededo.

Public health

107. The administering Power reported that the Guam Memorial Hospital, operating on a budget of \$US4,539,708, had successfully implemented new programmes and services, the most significant being in the area of business management. The Board of Trustees reported that "much had been accomplished in 1969, in the interest of rendering better hospital and medical care to the people of Guam".

108. A study conducted by three separate task forces was completed to determine health needs. The development of a new physical facility based on the campus concept referred to in the J.H. Feller report was one of the recommendations made as a result of the study. An assistant administrator was added to the staff for the planning and development of the new hospital project.

109. Construction has begun on the Territory's first modern central Public Health and Social Services Diagnostic and Treatment facility. The centre, estimated to cost \$US1,526,000, is located in Mangilao and is expected to be ready for use by June 1971. It will house offices, laboratories, research clinics, diagnostic and treatment rooms which are now inadequately housed in outdated buildings in Oka. It is a 1970 project under the rehabilitation programme and has been financed by a grant of \$US326,000 from the United States Department of Health, Education and Welfare and from rehabilitation funds amounting to \$US1,200,000. The project is under the supervision of the United States Naval Officer-in-Charge-of-Construction.

110. General admissions into Guam Memorial Hospital for the period under review totalled 6,614, compared with 5,848 during the previous period reviewed. The death-rate was 2.72, a slight increase over the 2.24 of the previous year. Deaths, including newborn babies, totalled 202. A total of 38,507 out-patients visits were registered for the year under review.

Educational conditions

111. School attendance is compulsory for all children between the ages of 6 and 16. It was reported that beginning in September 1970 kindergarten was to become mandatory for all five-year olds living in Guam. During the present academic year (1970/71), figures reportedly submitted to the Board of Education indicate that there are 15,427 pupils in elementary schools; 8,409 in secondary schools and 422 in vocational schools. Approximately 5,400 students were enrolled in private elementary and secondary schools, comprising about 20 per cent of the Territory's entire school enrolment.

112. During the 1970 fiscal year, regular educational instructional services were provided to more than 21,000 students. A breakdown of this total shows 13,299 elementary school children; 4,322 junior high school students; and 3,743 senior high school students. The Guam Vocational-Technical High School had

365 students. In addition, there were 552 pre-school children enrolled in the Headstart Program. During the year, a total of 1,447 students completed junior high school and 983 were graduated from senior high school.

113. Student enrolment at the University of Guam maintained an average of 2,300 during 1969/70. Approximately 55 per cent of those enrolled are full time students. Of the total enrolment, 63 per cent are from Guam and 15 per cent (345) from the Trust Territory of the Pacific Islands. The University has four colleges: Education, Letters, Arts and Sciences; Continuing Education and Graduate Studies. During the academic year covered, 79 students received baccalaureate degrees, 46 received master's degrees and 17 received Associate of Arts degrees. Approximately 200 students participated in the graduate programme.

114. For students pursuing higher studies, the Governor has reportedly approved a bill increasing the ceiling for off-island scholarships and student loans. Public Law 10-190 raises the scholarship to a maximum of \$US5,000 a year and the student loan from \$US2,500 to \$US4,000 per year. In addition, it liberalizes the area of study which may be pursued abroad, if the study is considered "more suitable and appropriate" than that offered at the University of Guam.

115. The Vocational-Technical High School has adult education (evening) courses. Of those enrolled in 1969/70, 954 were local resident citizens, 90 were permanent resident non-citizens, 260 were from the United States mainland and 10 were from the Trust Territory of the Pacific Islands. It was reported that during the 1970/71 academic year, there were 17 classes in adult basic education scheduled for different areas of Guam.

116. In April 1971, in an effort to combat the shortage of local resident teachers a bill was signed into law extending the Teacher Training Program to include graduate studies and increasing the monthly stipends for the trainees. The Teacher Training Program was initiated at the University of Guam in 1963 in a move to produce local resident teachers and to lessen the Territory's dependence on contract teachers from outside Guam. The programme has not been entirely successful.

117. In September 1970, construction was reported to have begun on 62 new public school classrooms and supporting facilities. The new classrooms are expected to be completed by September 1971. They are financed by the Rehabilitation Act and will accommodate 1,680 additional students. Twenty-nine of the classrooms will comprise a new elementary school in the Harmon area to accommodate 850 students. The new school is being built under the supervision of the United States Naval Officer-in-Charge-of-Construction.

118. In August 1970, it is reported that the Governor of Guam had approved a \$US200,000 appropriation for the "non-public Elementary and Secondary Education Fund". This fund was established by the Tenth Guam Legislature, which authorized the use of public funds to "purchase secular educational services" from non-public institutions.

119. The United States Office of Education has made a grant of \$US14,721 to the Guam Department of Education for the development of school library resources and an additional grant of \$US1,000 for its administration.

120. One of the areas in education which has been given much attention is special education, which benefited approximately 422 educable mentally retarded students in 1969/70. These students, ages 8 through 20, were housed in 17 elementary and 5 junior high schools. Under Title VI of the Elementary and Secondary Education Act (ESEA), supplies and equipment for special training courses were obtained for the regular classroom courses. The Speech and Hearing Program serviced 1,826 children in the elementary and secondary levels. Under the Pre-School Deaf and Hard-of-Hearing Program, 52 students - 42 of them profoundly deaf - were helped to achieve effective means of communication. Brodie Memorial School served 127 exceptional children academically and vocationally through an ESEA Title III Program called "Education of the Handicapped".

121. Governor Camacho has signed into law a measure providing for the establishment of a school for the deaf and the blind. The school will be part of the island's public school system and will enrol handicapped children from 5 to 16 years old. Public Law 10-187 places the responsibility of operating such a school under the Department of Education and makes it mandatory on parents of deaf and blind children to send them to school on a regular, full-time basis. The new law also charges the Territorial Board of Education to establish and oversee the operation of the school as well as to determine eligibility of students to attend the school. It stipulates that the Board shall co-operate with other Government agencies and private institutions in providing the necessary facilities and services. In this connexion, Guam's Department of Education has reportedly been awarded a \$US50,000 federal training grant from a total of almost \$US30 million set aside to help persons train for work in the education of handicapped children.

122. A grant of \$US135,000 for Guam from the Office of Economic Opportunity was announced by the Territory's Washington, D.C. representative, Mr. Antonio B. Won Pat. The money is for the Headstart Program for children of pre-school age and will assist 238 Guamanian children on a part-day basis.

123. Expenditure by the Department of Education during the fiscal year 1969/70 amounted to \$US19.7 million, compared with \$US15 million in 1968/69. It was reported that the Tenth Guam Legislature had approved \$US21.1 million for the Department of Education and the University of Guam in 1970/71.

124. The United States Congress reportedly approved a bill that would provide \$US4.3 million for the participation of the University of Guam, among others, in the Land Grant College system.

ANNEX II*

REPORT OF SUB-COMMITTEE II

Chairman: Mr. Mohammad Hakim ARYUBI (Afghanistan)

A. Consideration by the Sub-Committee

1. The Sub-Committee considered the Territories of American Samoa and Guam at its 136th, 138th, 140th to 143rd and 148th meetings, between 22 July and 15 October 1971 (see A/AC.109/SC.3/SR.136, 138, 140-143 and 148).
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see annex I to the present chapter).
3. In accordance with established procedure, the representative of the United States of America, as the administering Power concerned, participated in the discussions of the Sub-Committee at the invitation of the Chairman.

B. Adoption of the report

4. Having considered the situation in the Territories of American Samoa and Guam, and having heard statements by the representative of the United States as the administering Power concerned, the Sub-Committee adopted its conclusions and recommendations a/ on these Territories at its 148th meeting, on 15 October 1971.
5. The Sub-Committee adopted the present report at the same meeting.

* Previously issued under the symbol A/AC.109/L.753.

a/ The conclusions and recommendations submitted by Sub-Committee II for consideration by the Special Committee were adopted by the latter body without modification. They are reproduced in paragraph 9 of this chapter.

CHAPTER XVIII

TRUST TERRITORY OF THE PACIFIC ISLANDS

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, inter alia, to refer the Trust Territory of the Pacific Islands to Sub-Committee II for consideration and report.

2. The Special Committee considered the item at its 796th, 798th, 830th and 831st meetings, between 5 May and 5 November.

3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2621 (XXV) of 12 October 1970, containing the programme of action for the full implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, and resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration. By paragraph 14 of resolution 2708 (XXV), the General Assembly requested the Special Committee "to continue to pay particular attention to the small Territories, and to recommend to the General Assembly the most appropriate methods and also the steps to be taken to enable the populations of those Territories to exercise fully and without delay their right to self-determination and independence".

4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action previously taken by the Special Committee as well as by the Trusteeship Council at its thirty-eighth session, 1/ and on the latest developments concerning the Trust Territory.

5. In addition, the Special Committee had before it the following written petitions concerning the Trust Territory of the Pacific Islands:

(a) Letter dated 23 February 1971 from Mr. F. Sabo Ulechong, Clerk of the Senate of the Congress of Micronesia, transmitting a certified copy of Senate Resolution No. 5, S.D. 1 adopted by the Fourth Congress of Micronesia on 17 February 1971 (A/AC.109/PET.1160);

(b) Letter dated 27 May 1971 from Mr. F.T. Uludong, Chairman of Micronesian Independence Advocates, Hawaii (A/AC.109/PET.1192).

6. At its 789th meeting, on 7 April, the Special Committee decided, on the recommendation of the Sub-Committee on Petitions (A/AC.109/L.693), to request Sub-Committee II to give consideration, as a matter of priority, to the matters raised in the petition referred to in paragraph 5 (a) above.

1/ See Official Records of the General Assembly, Twenty-Sixth session, Supplement No. 4 (A/8404).

7. At its 796th meeting, on 5 May, the Chairman of Sub-Committee II, in a statement to the Special Committee (A/AC.109/PV.796), introduced the report containing the recommendations of the Sub-Committee on the matter (A/AC.109/L.706). Paragraphs 4 to 6 of the report read as follows:

"4. Sub-Committee II considered the petition contained in document A/AC.109/PET.1160 at its 127th and 128th meetings, held on 27 April and 3 May 1971 (see A/AC.109/SC.3/SR.127 and 128). The Senate resolution of the Fourth Congress of Micronesia transmitted in the document, inter alia, invited the Special Committee "to visit the Trust Territory of the Pacific Islands to examine and advise upon the present and future status of self-government for the Trust Territory..."

"5. The Sub-Committee expressed the hope that the Chairman of the Special Committee in accordance with the decision contained in paragraph 3 above would at an early date obtain the views of the Administering Authority on the dispatch of such a mission to visit the Trust Territory and considered that the Chairman of the Special Committee should also hold discussions with the President of the Trusteeship Council on the subject.

"6. The Sub-Committee also considered that the Clerk of the Senate should be sent an interim reply to his petition stating that the Special Committee is in favour of sending a visiting mission and is considering ways and means of doing so, in consultation with the Administering Authority and the President of the Trusteeship Council. The Clerk should also be informed that the Committee would welcome the appearance before it whenever possible of representatives of the people of Micronesia to give their views on conditions in the Trust Territory."

8. At the same meeting, the Special Committee adopted, without objection, the report of Sub-Committee II and endorsed the recommendations contained therein.

9. Having regard to the mandate entrusted to him in paragraph 5 of the report, the Chairman of the Special Committee held consultations with the representative of the Administering Authority and with the President of the Trusteeship Council, concerning the dispatch of a visiting mission to the Trust Territory. An account of the consultations is included in the report of the Chairman on the question of sending visiting missions to Territories (A/8423 (Part IV), annex I, paragraphs 14-17).

10. As regards the recommendations contained in paragraph 6 of the Sub-Committee's report (see paragraph 7 above), the Chairman, in a letter dated 5 May 1971, addressed to the Clerk of the Senate of the Congress of Micronesia, stated inter alia as follows:

"As you will note from the enclosed copy of General Assembly resolution 2621 (XXV) of 12 October 1970, the Special Committee has been directed by the General Assembly inter alia to continue to send visiting missions to the colonial Territories. Bearing this mandate in mind and having regard to the above-mentioned decision of the Special Committee, I shall continue as appropriate the consultations with the parties concerned in this regard. In the meantime, as stated in paragraph 6 of the report, the Special Committee will welcome the appearance before it whenever possible of representatives of the people of Micronesia to give their views on conditions in the Trust Territory."

11. In response to the above invitation, Senator Lazarus Salii and Representative Ekpap Silk, Co-Chairmen of the Joint Committee on the Future Political Status of Micronesia, addressed the Special Committee at its 798th meeting, on 4 June, and replied to questions put to them by the representatives of Iraq, the Syrian Arab Republic, Ecuador, Afghanistan and Bulgaria (A/AC.109/PV.798). The representative of Poland also made a statement (A/AC.109/PV.798).

12. At its 830th meeting, on 21 October, the Chairman of Sub-Committee II, in a statement to the Special Committee (A/AC.109/PV.830), introduced the report of the Sub-Committee concerning the item (see annex II to the present chapter). Statements on the report were made by the representatives of Iraq, the Union of Soviet Socialist Republics, the Ivory Coast, Yugoslavia and Mali, as well as by the Chairman (A/AC.109/PV.830).

13. At its 831st meeting, on 5 November, the Chairman of Sub-Committee II, in a statement to the Special Committee (A/AC.109/PV.831), introduced the revised report of the Sub-Committee. The revisions related to paragraphs 7 (4) and (5) of the Sub-Committee's conclusions and recommendations contained in the above-mentioned report.

14. At the same meeting, the Special Committee adopted, without objection, the revised report of Sub-Committee II on the item and endorsed the conclusions and recommendations contained therein. Statements were made by the Chairmen of the Sub-Committee and the Special Committee (A/AC.109/PV.831). The conclusions and recommendations are set out in paragraph 16 below.

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

B. DECISION OF THE SPECIAL COMMITTEE

16. The text of the conclusions and recommendations adopted by the Special Committee at its 831st meeting, on 5 November, to which reference is made in paragraph 14 above, is reproduced below:

(1) The Special Committee reaffirms the inalienable right of the people of the Trust Territory of the Pacific Islands to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.

(2) Fully aware of the special circumstances of geographical location and economic conditions that exist in regard to the Trust Territory, the Special Committee reiterates its view that the question of its size, isolation and limited resources should in no way delay the speedy implementation of the Declaration in the Trust Territory.

(3) The Special Committee expresses its serious concern that a representative of the Administering Authority was not present during discussions concerning the Trust Territory. In this regard, the Special Committee urges the Government of the United States of America to reconsider

its position and to co-operate with the Committee by supplying it with the information necessary to assist the Committee in formulating its conclusions and recommendations.

(4) The Special Committee urges the Administering Authority to cease pursuing a policy which tends to maintain the Trust Territory permanently dependent upon the United States. In this connexion, it reiterates its previous recommendation that the Administering Authority should not in any way pre-empt the future of the Trust Territory, which is a matter for the inhabitants to express themselves on. Moreover, the Special Committee considers that the Administering Authority should stress programmes of political education which aim at ensuring that all options are open to the inhabitants of the Trust Territory and which will enable the people to exercise freely their right to self-determination in conformity with the Declaration contained in General Assembly resolution 1514 (XV).

(5) The Special Committee draws the attention of the Administering Authority to the possible danger that may ensue from increasing the volume of grants without a definite development programme designed to increase the economic growth and diversify the economy of the Trust Territory. It considers that such an increase has the effect of making the economy of Micronesia totally dependent on such grants.

(6) Mindful of the invitation which has been extended to the Special Committee by the Senate of the Congress of Micronesia, 2/ to visit the Trust Territory in order to examine and advise on the present and future status of self-government for the Trust Territory, the Special Committee notes with regret that the Administering Authority is not agreeable to such a visit. The Special Committee recalls that it will be participating in other missions to the Pacific area in 1972. It again stresses the importance which it attaches to the desirability of such missions, even of an informal nature, bearing in mind that only through direct contact can the true attitude, aspirations and wishes of the people be ascertained. The Special Committee therefore considers that the consultations between the Chairman of the Special Committee, the President of the Trusteeship Council and representatives of the Administering Authority on the question of a visiting mission should be continued in the light of the Special Committee's decisions of 5 May 1971, and once again urges the Administering Authority to reconsider its negative position.

2/ See A/AC.109/PET.1160.

ANNEX I*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.732.

A. ACTION PREVIOUSLY TAKEN BY THE SPECIAL COMMITTEE AND BY
THE TRUSTEESHIP COUNCIL AT ITS THIRTY-EIGHTH SESSION

1. The Trust Territory of the Pacific Islands has been considered by the Special Committee since 1964. The Special Committee's conclusions and recommendations concerning the Trust Territory are set out in its reports to the General Assembly at its nineteenth and twenty-first to twenty-fifth sessions. a/

2. After considering the Trust Territory of the Pacific Islands in 1970, b/ the Special Committee adopted the following conclusions and recommendations:

"(1) The Special Committee takes note of the statement of the representative of the Administering Authority on its responsibility to the Security Council concerning the administration of the Trust Territory of the Pacific Islands and of his invitation to consult the report of the Trusteeship Council to the Security Council c/ covering its thirty-seventh session. In this regard, the Special Committee considers that it has had insufficient information at its disposal especially concerning the views of the Micronesians on the future status of their Territory.

(2) In the circumstances, the Special Committee wishes to reiterate its previous conclusions and recommendations concerning the Trust Territory of the Pacific Islands, especially those concerning the future status of the Territory and the Territory's economic dependence on the Administering Authority."

3. In addition, the Special Committee adopted a number of general conclusions and recommendations relating to all the Territories in Asia and in the Pacific Ocean considered by it during 1970. These conclusions and recommendations are set out in the Committee's report to the General Assembly at its twenty-fifth session. d/

a/ Official Records of the General Assembly, Nineteenth Session, Annexes, Annex No. 8 (part I) (A/5800/Rev.1), chap. XVIII, paras. 57-66; ibid., Twenty-first Session, Annexes, addendum to agenda item 23 (A/6300/Rev.1), chap. XVIII, paras. 65 and 66; ibid., Twenty-second Session, Annexes, addendum to agenda item 23 (part III) (A/6700/Rev.1), chap. XIX, para. 33; ibid., Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. XXII, sect. II; ibid., Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. XIX, paras. 3-9; ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV.

b/ Ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), para. 27 (f).

c/ Official Records of the Security Council, Twenty-fifth Year, Special Supplement No. 1 (S/9893).

d/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27 (a).

4. The Trusteeship Council, at its thirty-eighth session in May and June 1971, completed its examination of the annual report of the Administering Authority for the period 1 July 1969 to 3 June 1970. e/

5. In a letter dated 24 June 1971, f/ the President of the Trusteeship Council informed the Chairman of the Special Committee that the Council had adopted a report on the Trust Territory of the Pacific Islands for submission to the Security Council. g/ The report contains, in addition to the Trusteeship Council's conclusions and recommendations and the observations of individual members, detailed information on political, economic, social and educational conditions.

B. INFORMATION ON THE TERRITORY h/

Introduction

6. This paper is a summary of basic information on the Trust Territory of the Pacific Islands and recent important developments pertaining to it. More detailed information concerning the Trust Territory has been circulated in the working paper prepared by the Secretariat for the thirty-eighth session of the Trusteeship Council i/ and in past reports of the Special Committee to the General Assembly. j/

1. General

Land and people

7. The Trust Territory of the Pacific Islands consists of three archipelagos: the Carolines, the Marshalls and the Marianas. The island of Guam in the Marianas is not part of the Trust Territory. The population of the Territory as at 30 June 1970 totalled 102,250, compared with 98,000 the previous year.

8. The clean-up phase of the Trust Territory's resettlement programme for Bikini has been completed. The replanting and rebuilding programmes are currently under way. The seed planting to provide the necessary foods to sustain life on Bikini and the Enyeu Islands is 75 per cent complete. The Bikini Council, now the Kili

e/ T/1716.

f/ A/AC.109/373.

g/ Official Records of the Security Council, Twenty-sixth Year, Special Supplement No. 1 (S/10237).

h/ The information presented in this section was derived from published reports and from information concerning the Trust Territory of the Pacific Islands before the Trusteeship Council at its thirty-eighth session, in particular the report of the Administering Authority for the period 1 July 1969 to 30 June 1970 transmitted under Article 88 of the Charter (T/1716).

i/ See Official Records of the Security Council, Twenty-sixth Year, Special Supplement No. 1 (S/10237). This report also includes the conclusions and recommendations adopted by the Trusteeship Council at its thirty-eighth session.

j/ For the most recent, see Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23, (A/8023/Rev.1), chap. XIV, annex III.E.

Council, has played an active role in the rehabilitation of Bikini. A group representing that Council has visited the atoll recently with representatives of the Administration and selected the places where homes should be built.

Population movements

9. The United States Army has recently renegotiated an agreement with the displaced persons of the Mid-Corridor Islands of Kwajalein Atoll. They are now receiving a total of \$420,000 a year. k/

War damage claims

10. Draft legislation is still pending on both war damage and "post-secure" claims before the 92nd Congress of the United States. The representative of the Administering Authority told the Trusteeship Council at its thirty-eighth session that there was every reason to hope for positive action by the United States House of Representatives in the very near future and that the different approaches of the Senate and the House would be reconciled without undue difficulty. Since the closing of the thirty-eighth session of the Trusteeship Council, the legislation referred to has been enacted and signed into law by the President of the United States.

2. Political and constitutional developments

General

11. The executive and administrative authority for the Government of the Territory and responsibility for carrying out international obligations are vested in a High Commissioner appointed by the President of the United States and confirmed by the United States Senate. Legislative authority resides in the Congress of Micronesia. The judicial authority is independent of the executive and the legislative.

The Executive

12. The executive branch of the Trust Territory Government has been reorganized in implementation of the recommendations of the Committee on Government Organization of the Congress of Micronesia. The Office of High Commissioner now consists of the Deputy High Commissioner; the Executive Officer; the Special Consultant; the Attorney-General; the directors for education, finance, health services, personnel, public affairs, public works, resources and development, and transportation and communications; the Programme and Budget Officer; the Public Defender; and the Internal Auditor. The Deputy High Commissioner, the Executive Officer, the Special Consultant, the eight directors and the Attorney-General serve collectively to advise the High Commissioner on matters of policy and programme functioning as a de facto "cabinet". The special session of the Congress of Micronesia which concluded on 22 May 1971 adopted and sent to the High Commissioner

k/ The local currency is the United States dollar (\$US1.00).

a bill providing that the High Commissioner must submit to the Congress for its advice and consent all appointments to certain designated positions within the Trust Territory Government, including departmental heads of cabinet rank and divisional heads serving under them.

13. The Trust Territory Code, the body of laws which governs Micronesia, has been updated, modernized and reorganized by the Attorney-General's staff working with the Congress of Micronesia, and is to be presented to the Congress for review.

Congress of Micronesia

14. The Congress of Micronesia met three times during 1970/71. It held its third and final session of the Third Congress in July and August 1970. This was followed by territory-wide elections in November for all of the 21 seats of the House of Representatives and half of the 12 Senate seats. As a result of a decision by the House, when it convened in January for the first session of the Fourth Congress, the House elections in Palau District were declared invalid and new elections were held there at the end of March 1971. The result of both elections was the re-election of 17 representatives and 4 senators. An active role was played by local political parties in both the Marianas and Palau.

15. The new Congress was scheduled for a 50-day session in January-February under a change in Secretarial Order No. 2918, made at the request of the Congress of Micronesia. This new schedule was more in line with the United States budgetary schedule and would allow the Congress of Micronesia to play a more direct role in planning the Territory's budget. As the result of a fire which destroyed both of the legislative chambers, it was necessary for the Congress to adjourn some two weeks early. With much of the Congress's work uncompleted, a special session was convened in Truk from 5 May to 22 May.

16. In the annual report under review, the Administering Authority stated that to encourage Micronesian participation in the planning and decision-making process, the executive branch had made it a matter of policy that the final Trust Territory budget request for federal funds should be a product of the combined efforts of the executive and legislative branches of the Government, both at the district and the territorial levels. At the thirty-eighth session of the Trusteeship Council, the Special Adviser, Senator Petrus Tun of the Congress of Micronesia, stated that, while the need to involve Micronesians in the decision-making of budgetary processes was recognized, the difficulty of maintaining the integrity of the Micronesian recommendations on the budget once it had reached the United States Government level nullified the Micronesian efforts and participation in the budget review and decisions. At the same session, the Special Representative said that the Government of the Trust Territory, jointly through its executive and legislative branches, had presented the entire budget to the United States Congress for approval. The Government of the Trust Territory was now on record, in hearings before the United States Congress, that it felt the time had come when consideration should be given to allocating the United States grants in a lump sum and allowing the Congress of Micronesia to appropriate those funds in the best interest of Micronesia.

17. Secretarial Order No. 2918 has been amended to eliminate the possibility of the High Commissioner's vetoing an act of the Legislature by merely failing to

sign it. Under the new provisions, the High Commissioner, within a certain period of days, depending on when a bill was passed, must either approve the bill or return it to the Congress with a message stating the reasons for his disapproval. If he fails to take either of these measures, the bill would become a law without his signature.

Political parties

18. It is reported that Micronesian nationalists have formed a new political party favouring independence. The new party, the first political grouping to operate in all the islands, is called the Independence Coalition and includes 11 of the 33 members of the Congress of Micronesia, according to Micronesian sources.

Public service

19. In June 1970, the total number of Micronesians employed in the executive branch of the Government was 4,960. Of this number, 334 occupied senior, professional and executive positions, 3,098 occupied professional and administrative positions, and 1,528 were in manual occupations and skilled crafts. Non-Micronesian employees totalled 539 (303 contract personnel).

20. The Executive Officer, the Special Consultant and the head of the Department of Transportation and Communications are Micronesians. A Micronesian has also been designated to head the Department of Public Affairs. Other departments, with the exception of those concerned with personnel and public works, have Micronesian deputy directors. The Trust Territory Social Security System, with an enrolment of 19,000 and estimated revenues of \$400,000 per year, has been placed under the management of a Micronesian.

Peace Corps

21. During the year under review, 369 Peace Corps volunteers continued to provide assistance in educational, health and agricultural programmes in the Trust Territory.

Political education

22. In the High Commissioner's State of the Territory message to the first session of the Fourth Congress, in January 1971, the Congress of Micronesia was invited to enact legislation, or adopt a resolution to set up a joint committee of members of the executive and legislative branches to establish guidelines and develop a programme of political education for the Trust Territory. Arrangements have been made to translate the report of the Political Status Delegation into the various languages of the Trust Territory. The Joint Committee of the Congress of Micronesia on Political Status is considering the possibility of including in its membership the executive branch of the Trust Territory Government. Senator Petrus Tun, a Special Adviser to the Trusteeship Council at its thirty-eighth session stated that if the Micronesian people were soon to exercise their right to self-determination, a comprehensive programme of political education must be carried out. He was concerned that, although much was being done in the way of political education, the great mass of the people of Micronesia was still not aware of many fundamental matters concerning the political status question. There was much to be done to solve the problem.

Future status of the Trust Territory

23. At the thirty-eighth session of the Trusteeship Council, the representative of the United States stated that at the discussions on the future of the Trust Territory, held between the Status Delegation of the Congress of Micronesia and officials of the Administering Authority in May 1970, each delegation had prepared what might be called a statement of principle. The United States statement had included the proposal for commonwealth status, and the discussions which followed had been largely an exchange of written position papers. Although these discussions had not always provided detailed clarification of essential issues, they had brought out the relevant importance of some of them and were of considerable value. Following the submission to the Congress of Micronesia of the delegation's report, the Congress had endorsed the four principles which the delegation considered as essential to the status of free association, declared the Commonwealth offer unacceptable in its present form and authorized the creation of a Joint Committee on Status charged with resuming discussions with the United States.

24. In March 1971, the President of the United States had appointed Dr. F. Haydn Williams, President of the Asia Foundation, as his personal representative to carry on the future status discussions. Dr. Williams had begun to examine the past discussions and the issues involved. He had met informally with the co-chairman of the Joint Status Committee, as a result of which tentative agreement was reached to resume discussions in the summer of 1971. It was reported that Dr. Williams was to tour the Trust Territory from 1 to 21 July. His visit was intended to give him the opportunity to become acquainted first-hand with conditions in the Trust Territory and to meet with elected and traditional leaders in the various districts informally. It was not expected that formal meetings with the Congress of Micronesia Joint Committee on Future Status would take place during the tour, nor was he expected to make any formal public statements about United States positions on the status question. Through the tour Dr. Williams hopes to gain some insight into the problems and issues within the Trust Territory, and to listen to and learn from Micronesians about their attitudes and thoughts on future status.

25. The representative of the Administering Authority further stated to the Trusteeship Council that the Administering Authority was not attempting to impose any particular solution on the Micronesian people but was working to achieve a mutually agreed status of self-government in association with the United States, for which the Micronesians have expressed a preference. The Government of the United States was looking forward to a continuation of the dialogue, and remained confident that agreement would be reached after full, unhurried consideration, and that this agreement would satisfy the obligations of the United States under the Trusteeship Agreement and the Charter of the United Nations.

26. In regard to the views in favour of a separate solution, expressed by representatives of the Mariana Islands in communications before the Trusteeship Council, the representative of the Administering Authority stated to the Council that this sentiment, particularly in the form of a desire for reunification with Guam, was not new to the Council which had long acknowledged the strength and the sincerity of the sentiment and had agreed with the views of its visiting missions that these attitudes would have to receive consideration as part of the process of self-determination. The United States Government, for its part, had stated that it had always regarded Micronesia as an administrative entity. It had further stated that it did not necessarily rule out any particular choice that

might be offered to the people at the time of self-determination, but that any decision would depend primarily on the wishes of the Micronesian people. The communications before the Trusteeship Council from the Marianas District Legislature endorsed the commonwealth proposal. This view apparently had popular support, as a pro-commonwealth slate of candidates had achieved a total victory in the elections to the Congress of Micronesia held in November 1970.

27. Although the Government of the United States considered that all the people of Micronesia were entitled to self-determination, the Administering Authority was committed to discussions on a territory-wide basis at that time and could not now contemplate separate discussions with the Mariana Islands. The United States Government had urged representatives of Mariana Islands District to participate in the over-all discussions and to avoid precipitate actions which would make more difficult the attainment of a satisfactory agreement and which were not necessary to ensure their self-determination.

28. On 17 February 1971, the Senate of the Congress of Micronesia adopted a resolution inviting the United Nations Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, to visit the Trust Territory and "examine and advise upon the present and future status of self-government for the Trust Territory...."

29. On 6 April 1971 the Special Committee's Sub-Committee on Petitions decided to distribute this resolution as an official document of the Special Committee. 1/ In taking the decision, the Sub-Committee suggested, among other things, that the Special Committee, in particular its Sub-Committee II, should take full account, as a matter of urgency, of the contents of that communication in connexion with its consideration of the relevant item. The Special Committee gave its support to that suggestion when it adopted the 156th report of the Sub-Committee on Petitions. m/

30. Accordingly, Sub-Committee II examined the situation in the Trust Territory of the Pacific Islands in the light of the communication and submitted a report on the question. That report included the following recommendations: n/

"The Sub-Committee also considered that the Clerk of the Senate should be sent an interim reply to his petition stating that the Special Committee is in favour of sending a visiting mission and is considering ways and means of doing so, in consultation with the Administering Authority and the President of the Trusteeship Council. The Clerk should also be informed that the Committee would welcome the appearance before it whenever possible of representatives of the people of Micronesia to give their views on conditions in the Trust Territory."

1/ A/AC.109/PET.1160.

m/ A/AC.109/L.693

n/ A/AC.109/L.706, para. 6. See para. 7 of the present chapter.

31. At its 796th meeting, on 5 May 1971, the Special Committee approved these recommendations and, in accordance therewith, the Clerk of the Senate of the Congress of Micronesia was informed of the decision of the Special Committee.

32. As a result of this decision, the Special Committee, at its 798th meeting, on 4 June 1971, heard the Co-Chairmen of the Joint Committee on the Future Political Status of the Trust Territory of the Congress of Micronesia, Senator Lazarus Salii and Representative Ekpap Silk, who were then in New York. The greater part of that meeting was devoted to their statements and replies to questions on the future status of the Trust Territory put to them by members of the Special Committee.

3. Economic conditions

General

33. Labour, land natural resources and capital basics to development are meagre and are spread over many isolated islands. The gross product of the Territory is derived largely from United States expenditures for services and capital improvement, from tourism, the production of copra, subsistence farming, fishing and from sales to scrap metal and handicrafts. According to the Administering Authority, two areas for potential major growth are large-scale commercial fishing and tourism. Significant improvement would require more skilled labour, capital, and managerial capacity than is currently available in the Territory.

34. Estimates prepared by the Resources and Development Department indicate that the total value of all goods and services available for investment and consumption plus net additions to capital facilities in 1969, amounted to about \$98.2 millions, or about \$1,000 per capita. This compares to an estimated \$38 million in 1966, or about \$430 per capita. About 54 per cent of the 1969 gross product consisted of government-provided goods and services; about 16 per cent resulted from local production of both subsistence and locally marketed products; and the remaining 30 per cent came from goods imported into the private markets of the economy. Income from wages and exports available to Trust Territory citizens was estimated at \$26 million in 1970, compared with \$18.2 million in 1969 and \$14.9 million in 1968.

35. In the annual report under review, it was stated that, with the expansion of Trust Territory financing, new and improved roads, harbours, airfields, new and extended water supply systems, new sewer systems, and new and extended power systems had spread economic growth and improved the general welfare of Micronesians. More than one quarter of the people of Micronesia would benefit from the new and improved water facilities when projects then under way were completed. Power plant construction then in progress would increase electric power capacity by 50 per cent. The report further stated that significant progress had been made during the year in the provision of essential public services and in the infrastructure. Emphasis would now shift to advisory and financial assistance to stimulate economic development. There had also been major developments in tourism, and in private business and investment activity.

36. As at 30 June 1970, of 121 corporate entities in the Trust Territory, 5 were United States corporations permitted to do business in the Trust Territory,

49 were corporations with some United States ownership, but chartered as Micronesian corporations, and 72 were corporations totally owned by Micronesian citizens. Since February 1970, investment of foreign capital in the Trust Territory has been forbidden without the express permission of the foreign economic development boards made up of Micronesian citizens in the six administrative districts. These boards were set up under the Foreign Investor Business Permit Act of 17 February 1970. The duties of these boards include the evaluation of applications for business permits based on criteria set out in the Act.

37. The value of commodities exported during the fiscal year 1970 totalled \$4.1 million, compared with \$2.85 million for the previous year. Copra exports in the year under review were valued at \$2,683,192 and represented 64 per cent of the total, while exports of fish, valued at \$988,801, made up 24 per cent. In addition, tourism was estimated to have brought a direct income of \$906,500 into the Territory. Imports continued to rise during the year under review, totalling \$20.9 million. The current report pointed out that while imports continued to rise in the next fiscal period, government development efforts were aimed at expanding exports, especially of fish and agricultural products.

Public finance

38. Costs of Trust Territory operations are met by grants from the Administering Authority and by local reimbursable revenue collections. Appropriation requests are subject to limits fixed by the United States Congress. Sources of funds for the fiscal years 1969 to 1971 were as follows:

	<u>1969</u>	<u>1970</u>	<u>Estimate</u> <u>1971</u>
	\$	\$	\$
Territorial taxes and other revenues. .	1,298,114	1,434,800	1,392,100
Direct United States appropriations . .	541,000	586,000	561,000
Grants from United States Congress . .	29,459,000	47,526,000	49,189,000
Unobligated funds brought forward . . .	9,954,296	3,347,656	1,562,709
Total	<u>41,252,410</u>	<u>52,894,456</u>	<u>52,704,809</u>

39. The United States Congress increased the appropriation ceiling for the Trust Territory to \$60 million for the fiscal year 1971. Approximately 50 per cent of the total budget is indicated for capital improvements.

40. The Programme and Budget Officer draws up a preliminary budget plan for the coming fiscal year. This plan is presented to the Congress of Micronesia for its review of, and recommendations on, portions relating to funds to be appropriated by the United States Congress. Under the terms of Secretarial Order No. 2918, the High Commissioner adopts those recommendations of the Congress which he deems appropriate, but he must also transmit to the Secretary of the Interior all recommendations he does not adopt. According to the annual report, the Congress of Micronesia has assumed increasing responsibility for the final budget proposal as it is presented to the United States Congress. The High Commissioner has made it policy that the budget request forwarded to him from the Congress will be the budget he forwards to the Secretary of the Interior.

41. The Economic Development Fund makes direct loans and guarantees loans by commercial banks for development purposes. The loans granted directly by the Fund totalled \$641,803 during the year under review, compared with \$94,182 in 1969; the guaranteed bank loans totalled \$729,812, compared with \$96,000 in 1969. To date, the Economic Development Fund has directly lent to Micronesian citizens a total of \$1,243,635. Guaranteed loans total \$917,140. The balance in the Fund at the end of April 1971 was only \$18,000. The Administration is hopeful that the United States Congress will soon increase the Fund's available capital to \$5 million.

42. In order to provide a sound basis for the establishment of a Bank of Micronesia, the Congress of Micronesia has created a joint committee to study the current economic situation in the Territory and to determine current needs for an improved level of financial services. On completion of the study, it is hoped that a banking institution to meet the needs of Micronesia will be established.

43. The Fourth Congress of Micronesia, at its first regular session, adopted an act providing for the Trust Territory's first income tax. The Act, known as Public Law 4C-2, was to become effective on 1 July 1971. It is estimated that the new law will produce annual revenues of approximately \$2.5 million, to be appropriated by the Congress.

Land

44. The traditional systems of land ownership are maintained in most areas of the Trust Territory. Only in the Mariana Islands is individual ownership and the sale of land a commonly accepted practice. Ownership of land by non-citizens is prohibited by law but, in certain circumstances, land may be leased to non-citizens. The land area of the Trust Territory comprises 700 square miles, approximately 42 per cent of which is classified as arable.

45. As at 31 March 1971, control surveys under the land cadastre programme had been fully completed in all six districts and land commissions had been fully implemented in five of the six districts. In a letter to the editor of the Pacific Islands Monthly (October 1970), the High Commissioner of the Trust Territory called the land commission established in each district, "the key operating arm" of the programme, a "quasi-judicial board, composed of a senior land commissioner, two Micronesian land commissioners, and one or more registration teams (five to seven members, all Micronesians). They make the final determination of all land claims."

46. The acreage of military retention lands continued to be reduced and, with the recent release of all defence retention lands in Truk District, a total of 21,141 acres has now been released.

Agriculture and livestock

47. Copra continued to be the Trust Territory's largest export item, with 15,688 short tons, valued at \$2,683,198 in 1970, compared with 14,080 short tons, valued at \$2,199,422 the previous year.

48. Vegetable production rose from 157,000 pounds valued at \$19,000 in 1969 to over 1.3 million pounds valued at more than \$200,000 in 1971. A farmers' market has been opened in the Mariana Islands District.

49. Largely because of ranching efforts on Tinian, the production of meat for domestic consumption and export to Guam rose from 21,000 pounds in 1969 to 140,000 pounds in 1971.

Marine resources

50. During the period under review, starfish control has been added to the major programmes of the Division of Marine Resources of the Department of Resources and Development. The Administration earmarked \$200,000 to finance the programme during the year. In November 1969, legislation was introduced in the United States Congress to provide up to \$4.5 million for research and control of starfish in Guam, Hawaii, American Samoa and the Trust Territory.

51. In co-operation with the Trust Territory Government, the Janss Foundation of California is constructing a marine laboratory at Koror, Palau District. The laboratory will provide support facilities, including a research vessel, to organizations interested in scientific research in Micronesia. The Trust Territory Marine Resources Division will also set up a laboratory in conjunction with the Micronesia Institute of the Janss Foundation, to carry out studies essential to the development and proper management of the marine resources of the Trust Territory.

Transport and communications

52. The number of air passengers carried rose from 78,144 in 1969 to 94,565 in 1970. Air freight traffic rose from 3,309,335 pounds in 1969 to 5,119,159 pounds in 1970. Air Micronesia is conducting a training programme for eventual placement of Micronesian employees in all phases of its operations. Micronesians have already taken over some positions originally filled by United States employees.

53. Priority is being given to the construction of an airfield on the island of Kusaie, a subdistrict centre in Ponape District, with a population of over 4,000.

54. Television is now established on Saipan. Although the stations are privately operated by commercial interests, a few hours a day are made available to the Government for such purposes as political education, adult education and programmes of general community interest.

4. Social and educational conditions

55. Social and educational conditions in the Trust Territory of the Pacific Islands are described in the report of the Trusteeship Council to the Security Council. o/

ANNEX II*

REPORT OF SUB-COMMITTEE II

Chairman: Mr. Mohammad Hakim ARYUBI (Afghanistan)

A. Consideration by the Sub-Committee

1. The Sub-Committee considered the Trust Territory of the Pacific Islands at its 126th to 128th, 142nd and 144th to 148th meetings, between 20 April and 15 October 1971 (see A/AC.109/SC.3/SR.126-128, 142 and 144-148).
2. The Sub-Committee adopted an interim report on this item (A/AC.109/L.706) at its 128th meeting (see A/AC.109/SC.3/SR.128). This report was adopted by the Special Committee at its 796th meeting, on 5 May 1971.
3. Following the adoption of the report, the Special Committee, at its 798th meeting, held on 4 June 1971, heard statements by Senator Lazarus Salii and Representative Ekpap Silk, Co-Chairmen of the Joint Committee of the Congress of Micronesia on the Future Status of the Trust Territory.
4. In addition to the statements of the petitioners, the Sub-Committee had before it the working paper prepared by the Secretariat (see annex I to the present chapter) and two petitions relating to the matter (A/AC.109/PET.1160 and PET.1192).

B. Adoption of the report

5. Having considered the situation in the Trust Territory of the Pacific Islands, the Sub-Committee adopted its conclusions and recommendations on the Trust Territory at its 148th meeting, on 15 October 1971.
6. The Sub-Committee adopted the present report at the same meeting.

* Previously issued under the symbol A/AC.109/L.754.

C. Conclusions and recommendations

7. The Sub-Committee submits the following conclusions and recommendations for adoption by the Special Committee:

(1) The Special Committee reaffirms the inalienable right of the people of the Trust Territory of the Pacific islands to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples, contained in General Assembly resolution 1514 (XV) of 14 December 1960.

(2) Fully aware of the special circumstances of geographical location and economic conditions that exist in regard to the Trust Territory, the Special Committee reiterates its view that the question of its size, isolation and limited resources should in no way delay the speedy implementation of the Declaration in the Trust Territory.

(3) The Special Committee expresses its serious concern that a representative of the Administering Authority was not present during discussions concerning the Trust Territory. In this regard, the Special Committee urges the Government of the United States of America to reconsider its position and to co-operate with the Committee by supplying it with the information necessary to assist the Committee in formulating its conclusions and recommendations.

(4) The Special Committee urges the Administering Authority to cease pursuing policies which tend to lead to the permanent affiliation of the Trust Territory with the United States. In this connexion, it reiterates its previous recommendation that the Administering Authority should not in any way prejudge the future of the Trust Territory, which is a matter for the inhabitants to express themselves on. Moreover, the Special Committee considers that the Administering Authority should stress programmes of political education which aim at ensuring that all options are open to the inhabitants of the Trust Territory and which will enable the people to exercise freely their right to self-determination in conformity with the Declaration contained in General Assembly resolution 1514 (XV).

(5) The Special Committee draws the attention of the Administering Authority to the danger inherent in the steadily increasing volume of grants to the Trust Territory. It considers that this has the effect of making the economy of Micronesia wholly and irreversibly dependent on such grants.

(6) Mindful of the invitation which has been extended to the Special Committee by the Senate of the Congress of Micronesia, a/ to visit the Trust Territory in order to examine and advise on the present and future status of self-government for the Trust Territory, the Special Committee notes with regret that the Administering Authority is not agreeable to such a visit. The Special Committee recalls that it will be participating in other missions to the Pacific area in 1972. It again stresses the importance which it attaches to the desirability of such missions, even of an informal nature, bearing in mind that only through direct contact can the true attitude, aspirations and wishes of the people be ascertained. The Special Committee therefore considers that the consultations between the Chairman of the Special Committee, the President of the Trusteeship Council and representatives of the Administering Authority on the question of a visiting mission should be continued in the light of the Special Committee's decisions of 5 May 1971, and once again urges the Administering Authority to reconsider its negative position.

a/ See A/AC.109/PET.1160.

CHAPTERS XIX-XXI

(A/8423/Add.6 (Part III))

COCOS (KEELING) ISLANDS, PAPUA AND THE TRUST TERRITORY OF NEW GUINEA, BRUNEI AND HONG KONG

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CHAPTER XIX

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

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, inter alia, to refer the Cocos (Keeling) Islands, Papua and the Trust Territory of New Guinea to Sub-Committee II for consideration and report.

2. The Special Committee considered the item at its 830th meeting, on 21 October. At its 799th, 801st and 825th meetings, between 16 June and 9 September, the Special Committee also considered the item within the context of the question of sending visiting missions to Territories, an account of which is contained in the relevant sections of the Chairman's report on the latter item, to which reference is made in paragraph 4 below.

3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2621 (XXV) of 12 October 1970, containing the programme of action for the full implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, and resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration. By paragraph 14 of resolution 2708 (XXV), the General Assembly requested the Special Committee "to continue to pay particular attention to the small Territories, and to recommend to the General Assembly the most appropriate methods and also the steps to be taken to enable the populations of those Territories to exercise fully and without delay their right to self-determination and independence". The Special Committee also took into account other resolutions of the General Assembly, particularly resolution 2700 (XXV) of 14 December 1970 concerning the question of Papua and the Trust Territory of New Guinea, by paragraph 7 of which the General Assembly requested the Special Committee "to continue to examine this question and to report thereon to the General Assembly at its twenty-sixth session"; and resolution 2709 (XXV) of 14 December 1970 concerning twenty-five Territories, including the Cocos (Keeling) Islands, by paragraph 8 of which the General Assembly requested the Special Committee "to continue to pay special attention to these Territories and to report to the General Assembly at its twenty-sixth session on the implementation of the present resolution".

4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex I to the present chapter) containing information on action previously taken by the Special Committee as well as by the General Assembly, and on the latest developments concerning the Territories. The Special Committee also had before it the relevant sections of the report of the Chairman on the question of sending visiting missions to Territories (A/8423 (Part IV), chap. IV, annex I).

5. In addition, the Special Committee had before it a written petition concerning Papua and the Trust Territory of New Guinea in the form of a letter dated 25 March 1971 from Mr. Epineri Titimur, Member, House of Assembly (A/AC.109/PET.1183).

6. The representative of Australia participated in the work of the Special Committee during its consideration of the Territories.

7. At the 830th meeting, on 21 October, the Chairman of Sub-Committee II, in a statement to the Special Committee (A/AC.109/PV.830), introduced the report of that Sub-Committee concerning the Cocos (Keeling) Islands, Papua and the Trust Territory of New Guinea (see annex II to the present chapter). The representative of Australia also made a statement (A/AC.109/PV.830).

8. At the same meeting, the Special Committee received the following oral amendments to paragraph 6 (9) of the report:

(a) Amendments by the Union of Soviet Socialist Republics by which the third sentence, which read:

"It considers that the reports of future missions of the Trusteeship Council should be submitted to the Trusteeship Council and the Special Committee at the same time."

would be replaced by the following:

"It considers that the reports of future missions should be submitted to the Trusteeship Council and the Special Committee at the same time."

(b) Amendments by Yugoslavia by which the second sentence, which read:-

"It also welcomes the fact that the administering Power has invited a special mission of the Trusteeship Council to observe the elections to the Third House of Assembly in 1972 and that this mission will be composed in the manner set out in paragraph 5 of General Assembly resolution 2590 (XXIV) of 16 December 1969."

would be replaced by the following:

"It also welcomes the fact that the administering Power has invited the Trusteeship Council to dispatch a special mission to observe the elections to the Third House of Assembly in 1972 and that this mission will be composed in the manner set out in paragraph 5 of General Assembly resolution 2590 (XXIV) of 16 December 1969."

9. Following further statements by the representatives of Mali and Fiji and by the Chairman (A/AC.109/PV.830), the Special Committee, at the same meeting, adopted the above amendments without objection. The Special Committee then adopted the report of Sub-Committee II without objection and endorsed the conclusions and recommendations contained therein, as amended. These conclusions and recommendations are set out in paragraph 11 below.

10. On 22 October, the text of the conclusions and recommendations was transmitted to the Permanent Representative of Australia to the United Nations for the attention of his Government.

B. DECISION OF THE SPECIAL COMMITTEE

11. The text of the conclusions and recommendations adopted by the Special Committee at its 830th meeting, on 21 October, to which reference is made in paragraph 9 above, is reproduced below:

(1) The Special Committee reaffirms the inalienable right of the people of the Cocos (Keeling) Islands and Papua and the Trust Territory of New Guinea to self-determination in conformity with the Declaration on the Granting of Independence to Colonial Countries and Peoples contained in General Assembly resolution 1514 (XV) of 14 December 1960.

(2) Fully aware of the special circumstances, due to their geographical location and economic situation, that exist in regard to the Cocos (Keeling) Islands, the Special Committee reiterates its view that the question of size, isolation and limited resources should in no way delay the speedy implementation of the Declaration in this Territory.

(3) The Special Committee notes the statement of the representative of the administering Power concerning separatist tendencies in several regions of Papua New Guinea. Mindful that the period immediately preceding independence is of crucial importance and that the administering Power bears the responsibility for leaving the country united and intact, the Special Committee strongly urges the administering Power to discourage these separatist movements. In connexion with the problems of national unity, the Special Committee welcomes the fact that a proposal for a single citizenship for all inhabitants of the Territory is before the Territory's House of Assembly. It expresses the hope that a common citizenship will be introduced as soon as possible. The Special Committee, in its desire to avoid any fragmentation of Papua New Guinea, urges the intensification of the new campaign to promote national unity and of the reformed programme of mass political education.

(4) The Special Committee notes the statement of the representative of the administering Power regarding political and constitutional developments in the Territory. In this connexion, it recalls General Assembly resolution 2700 (XXV) of 14 December 1970, which, inter alia, called upon the administering Power to prescribe, in consultation with the fully elected representatives of the people, a specific time-table for the free exercise by the people of Papua New Guinea of their right to self-determination and independence, and the report of the Select Committee on Constitutional Development which stated that the Territory might become internally self-governing during the period 1972-1976. Bearing in mind that the administering Power has affirmed that the interval between the attainment of full self-government and independence will be a matter to be determined by the then Government of Papua New Guinea, the Special Committee considers that, with the recommendation of the Select Committee regarding progress towards self-government which was agreed to by the current House of Assembly and the administering Power, the administering Power should be in a position to set the time-table as requested by General Assembly resolution 2700 (XXV).

(5) The Special Committee recognizes the importance of increased participation by the people of Papua New Guinea in the management of their own affairs. It takes note of the programme for accelerated localization of the Papua New Guinea

public service, recently tabled in the House of Assembly, and urges the administering Power to expedite the implementation of that programme and to explore all ways to overcome any obstacles which might delay the process of localization. In this connexion, it recommends the discontinuation of recruitment of expatriate officers for any but the higher or more technical posts of the public service, for which no Papuan or New Guinean is qualified.

(6) The Special Committee notes the statement of the representative of the administering Power, as well as the report of the 1971 Visiting Mission concerning the economic development of Papua New Guinea 1/ and in particular the involvement of the people of Papua New Guinea in the economy. It regrets, however, that indigenous participation in the ownership and management of private economic enterprises, particularly in the industrial sector, is still on a very small scale. The majority of private enterprises continue to be dominated by expatriates, most of whom make little effort to identify themselves with the country in which they are living. The Special Committee endorses the view of the 1971 Visiting Mission to the effect that economic development will have to take account of political and social changes. It notes that in its revision of the current Five-Year Development Programme the Administration has set maximum participation in the economy by Papuans and New Guineans at all levels as a main objective. It urges the administering Power to accelerate the rate at which this objective will be achieved and to intensify its efforts to facilitate the entry of much greater numbers of the people of the Territory into modern economic life.

(7) The Special Committee notes that some progress has been achieved in the field of education, and expresses the hope that the administering Power will give increasing attention to the problems of drop-outs.

(8) The Special Committee stresses the importance of ensuring the preservation of the cultural heritage of the people of Papua New Guinea as well as their national unity and, noting the statement of the representative of the administering Power on this subject, including the aspect of language, urges the administering Power to do all that it can in pursuit of this objective.

(9) The Special Committee welcomes the spirit of co-operation shown by the administering Power in adopting some of the measures suggested by the 1971 Visiting Mission. It also welcomes the fact that the administering Power has invited the Trusteeship Council to dispatch a special mission to observe the elections to the Third House of Assembly in 1972 2/ and that this mission will be composed in the manner set out in paragraph 5 of General Assembly resolution 2590 (XXIV) of 16 December 1969. It considers that the reports of future missions should be submitted to the Trusteeship Council and the Special Committee at the same time

1/ Official Records of the Trusteeship Council, Thirty-eighth Session, Supplement No. 2 (T/1728).

2/ See *ibid.*, Supplement No. 1 (T/1727), resolution 2156 (XXXVIII), and Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 4 (A/8404), paras. 29-37.

ANNEX I*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under symbol A/AC.109/L.736

A. ACTION PREVIOUSLY TAKEN BY THE SPECIAL COMMITTEE, THE GENERAL ASSEMBLY AND THE TRUSTEESHIP COUNCIL

1. The Territories of the Cocos (Keeling) Islands and of Papua and the Trust Territory of New Guinea have been considered by the Special Committee and the General Assembly since 1964. The Special Committee's conclusions and recommendations concerning the Territories are set out in its reports to the General Assembly at its nineteenth and twenty-first to twenty-fifth sessions. a/
2. After considering the Territories in 1970 the Special Committee adopted the following conclusions and recommendations: b/

"(1) The Special Committee notes the statement of the representative of the administering Power that recent constitutional changes based on the reports of the Select Committee on Constitutional Development to the House of Assembly have resulted in the expansion of the powers of the House's ministerial members and of the responsibilities of the Administrator's Executive Council. It considers, however, that the inhabitants of the Territory are not yet fully participating in the management of their own affairs, as the Special Committee has previously recommended, and that progress towards the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples contained in General Assembly resolution 1514 (XV) of 14 December 1960, continues to be slow. The Special Committee therefore urges the administering Power to establish a specific time-table to guide Papua and the Trust Territory of New Guinea to self-determination and independence in accordance with the Declaration. The Special Committee also notes the administering Power's policy of localization of the public service and urges the administering Power to accelerate its efforts in this direction.

"(2) The Special Committee notes the statement of the representative of the administering Power concerning the general economic situation in the Territories, especially the emphasis which has been placed on the copper mining project at Bougainville. Mindful that it has previously expressed the view that diversification and industrialization should be so directed as to eliminate the economic dependence of the Territory on the administering Power, the Special Committee would welcome further information regarding the progress made under the economic development programme in operation in the Territory since 1968, as well as steps which have been taken to ensure the fullest protection of the economic rights of the indigenous population.

a/ Official Records of the General Assembly, Nineteenth Session, Annexes, annex No. 8 (part I) (A/5800/Rev.1), chap. XIX, paras. 131-138, 143-151, 155; *ibid.*, Twenty-first Session, Annexes, addendum to agenda item 23 (A/6300/Rev.1), chap. XIX, para. 73; *ibid.*, Twenty-second Session, Annexes, addendum to agenda item 23 (part II) (A/6700/Rev.1), chap. XX, para. 98; *ibid.*, Twenty-third Session, Annexes, addendum to agenda item 23 (A/7200/Rev.1), chap. XXIII, para. 6; *ibid.*, Twenty-fourth Session, Supplement No. 23 (A/7623/Rev.1), chap. XX, para. 13; *ibid.*, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27 (g).

b/ *Ibid.*, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27 (g).

"(3) The Special Committee also notes the statement of the administering Power regarding the preparation of legislation necessary to implement proposed reforms concerning land tenure. It would welcome further information on this subject.

"(4) The Special Committee notes the long-term objective of the educational programme of the administering Power and expresses the hope that a comprehensive system covering the whole of Papua and the Trust Territory of New Guinea, making primary education available to all, will be established in the shortest possible time.

"(5) The Special Committee, recalling that by resolution 2590 (XXIV) of 16 December 1969 the General Assembly, inter alia, requested the Trusteeship Council to include in its periodic visiting missions to the Trust Territory of New Guinea non-members of the Council, notes that the forthcoming visiting mission to the Trust Territory will include non-members of the Council who are members of the Special Committee. c/ The Special Committee would have appreciated it, however, if in the discharge of its duties the visiting mission could take into consideration previous recommendations and resolutions adopted by the Special Committee on the Territory."

3. In addition, the Special Committee adopted a number of general conclusions and recommendations relating to all Territories in Asia and the Pacific Ocean considered by it during 1970. These conclusions and recommendations are set out in the Committee's report to the General Assembly at its twenty-fifth session. d/

4. By resolution 2700 (XXV) of 14 December 1970, the General Assembly, inter alia, reaffirmed the inalienable right of the people of Papua and the Trust Territory of New Guinea to self-determination and independence in accordance with General Assembly resolution 1514 (XV) and the Trusteeship Agreement of 13 December 1946; reaffirmed further its previous resolutions regarding Papua and the Trust Territory of New Guinea; took note of the arrangements made by the Trusteeship Council, in accordance with resolution 2590 (XXIV), concerning the composition of the periodic visiting mission to the Trust Territory of New Guinea in 1971; invited the administering Power to co-operate fully with the visiting mission; called upon the administering Power to prescribe, in consultation with the freely elected representatives of the people, a specific time-table for the free exercise by the people of Papua and the Trust Territory of New Guinea of their right to self-determination and independence, and to report to the Trusteeship Council and to the Special Committee on the action taken in that regard; requested the administering Power to intensify and accelerate the education and technical and administrative training of the indigenous peoples of the Territories and the localization of the public service; and requested the Trusteeship Council and the Special Committee to continue to examine this question and to report thereon to the General Assembly at its twenty-sixth session.

5. By resolution 2709 (XXV) of 14 December 1970, which concerned twenty-five territories, including the Cocos (Keeling) Islands, the General Assembly,

c/ Following the consultations provided for in General Assembly resolution 2590 (XXIV), it was decided to include as members of the visiting mission the representatives of Iraq and Sierra Leone.

d/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, para. 27 (a).

inter alia, approved the chapters of the Special Committee relating to these Territories and requested the Special Committee to continue to pay special attention to them and to report to the General Assembly at its twenty-sixth session on the implementation of the resolution.

6. The Trusteeship Council, at its thirty-eighth session in May and June 1971, completed its examination of the annual report of the Administering Authority for the period 1 July 1969 to 30 June 1970 (T/1715 and Add.1).

7. During the examination of the Trust Territory of New Guinea, the Permanent Representative of Australia extended an invitation to the Trusteeship Council to send a visiting mission to Papua New Guinea for the purpose of observing elections to the Third Papua New Guinea House of Assembly in the period March/April 1972. e/ It was suggested that the composition of the mission be determined in the manner requested by the General Assembly in paragraph 5 of resolution 2590 (XXIV) of 16 December 1969: namely, that in deciding to send the mission, the Trusteeship Council should decide also to include in it non-members of the Council, who should be chosen on the basis of consultations between the Council, the Special Committee and Australia, as the Administering Authority.

8. On 11 June 1971, the President of the Trusteeship Council transmitted a copy of the letter extending the invitation to the Chairman of the Special Committee (A/AC.109/371).

9. This letter was considered at the 799th to 801st meetings of the Special Committee, from 16 to 18 June 1971, and consultations on this question were held between the members of the Special Committee and its Acting Chairman at two informal meetings. As a result, the Acting Chairman conveyed an aide-mémoire on the subject to the President of the Trusteeship Council (A/8423 (Part IV), annex I).

10. The President read the aide-mémoire into the records of the 1387th meeting of the Trusteeship Council, held on 18 June 1971.

11. Subsequently, at the same meeting, the Trusteeship Council adopted, by 5 votes to none, with 1 abstention, the terms of reference for the United Nations Visiting Mission to Observe the Elections to the Third Papua New Guinea House of Assembly in 1972 f/ (resolution 2156 (XXXVIII)), whereby the Council decided to send a Visiting Mission to observe the elections to the Papua New Guinea House of Assembly in 1972; decided that the Mission should be composed of the United Kingdom of Great Britain and Northern Ireland, the United States of America, and members to be designated by the President of the Council on the basis of consultations with the members of the Council, the Special Committee and the Administering Authority; directed the Visiting Mission to observe the elections to the House of Assembly in Papua New Guinea in 1972, including electoral arrangements, the activities of candidates and political parties, the casting of votes, the closure of voting, the counting of ballots and the declaration of results; requested the Visiting Mission to submit to the Council as soon as practicable a report on its observations of the elections containing its findings, with such observations, conclusions and recommendations as it may wish to make.

e/ See Official Records of the Trusteeship Council, Thirty-eighth Session, Annexes, agenda item 15, document T/1725.

f/ Ibid., Supplement No. 1 (T/1727).

12. In a letter dated 24 June 1971 (A/AC.109/373), the President of the Trusteeship Council informed the Chairman of the Special Committee that the Council had adopted a report on the Trust Territory of New Guinea for submission to the General Assembly. g/ This report contains, in addition to the Trusteeship Council's conclusions and recommendations and the observations of its individual members, detailed information on political, economic and educational conditions.

g/ Official Records of the General Assembly, Twenty-sixth session, Supplement No. 4 (A/8404).

B. INFORMATION ON THE TERRITORIES

1. COCOS (KEELING) ISLANDS h/

General

13. Basic and more detailed information on the Cocos (Keeling) Islands has appeared in past reports of the Special Committee to the General Assembly. i/ Supplementary information is set out below.

14. The population of the Territory at 30 June 1970 was 611 compared with 607 in the previous year, made up as follows:

<u>Place</u>	<u>Race</u>	<u>Number</u>
West Island	Europeans	124
Home Island	Cocos Islanders (Malays)	483
	Europeans	4
Total		611

15. During 1969/70, there was one birth in the European community. In the Cocos Islanders community there were five births and two deaths.

Political and constitutional developments

16. The basis of the Territory's legislative, administrative and judicial systems is the Cocos (Keeling) Islands Act, 1955-1966, which is administered by the Australian Minister of State for External Territories.

17. An official representative, who is appointed by the Minister under the Official Representative Ordinance, 1955-1961, exercises such powers and performs such functions in relation to the Territory as are delegated to him by the Minister under section 8 of the Cocos (Keeling) Islands Act, 1955-1966, or otherwise conferred on him under the Act or under any other law of the Territory.

Judiciary

18. There were no cases for hearing by the courts in 1969/70.

h/ The information in this section has been derived from information transmitted to the Secretary-General by Australia under Article 73 e of the Charter on 30 April 1971 for the year ending 30 June 1970.

i/ For the most recent see Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III.F.

Economic conditions

General

19. The economy of the Territory is based on the aviation and other facilities maintained by the Australian Government and commercial organizations, and on the production and export of copra which forms the staple local industry. Exports of copra during 1969/70 were 182 tons, compared with 197 tons in 1968/69. This continued reduction was due to the 1968 cyclone "Doreen" which inflicted damage to coconut trees.

20. Imports are admitted free of customs duty. The Cocos (Keeling) Islands Act exempts from customs duty goods which are imported into Australia from the Territory provided the goods: (a) are the produce or manufacture of the Territory; (b) have been shipped in the Territory for export to Australia; and (c) are not goods which, if manufactured or produced in Australia, would be subject to a duty or excise tax.

Public finance

21. Total revenue amounted to \$A8,516 in 1969/70, compared with \$A10,486 in 1968/69. Expenditures for 1969/70 totalled \$A507,224, compared with \$A469,081 for 1968/69.

Transport and communications

22. An international airport with full radio facilities is established on West Island under the control of the Commonwealth Department of Civil Aviation. A fortnightly charter service was carried on by two Australian domestic airlines until September 1968 when the two commenced three weekly services. Monarch Airlines continues to use Cocos occasionally for refuelling their freight and passenger planes operating on charter between the United Kingdom and Australia.

23. There is no wharf in the Territory where ships can berth. A shipping service operated to the Territory at intervals of about six months during the year.

Social conditions

Public health

24. A dentist accompanied by a dental nurse visited both the West and Home Islands in December 1969 and January 1970 for six weeks; they were accompanied by a dental technician for three weeks.

Educational conditions

25. At 30 June 1970, 18 primary pupils were accommodated in the West Island School, two less than in the previous year. In addition, five pupils were following secondary school courses in 1970, while five pupils were attending secondary schools in Australia.

26. Enrolments increased at the school established by the Clunies-Ross estate on Home Island. Four classrooms accommodate 77 Cocos-Malay children of primary school age.

2. PAPUA AND THE TRUST TERRITORY OF NEW GUINEA j/

General

27. This paper is a summary of basic information on Papua and the Trust Territory of New Guinea and recent important developments concerning them. More detailed information relating to the Trust Territory of New Guinea has been circulated in the working paper prepared by the Secretariat for the thirty-eighth session of the Trusteeship Council, k/ as well as in the report of the United Nations Visiting Mission to the Trust Territory of New Guinea, 1971. l/ Basic information on Papua and the Trust Territory of New Guinea has appeared in past reports of the Special Committee to the General Assembly. m/ Information on economic conditions with particular reference to foreign interests is contained in document A/8398/Add.1, appendix V. The recommendations and conclusions adopted by the Trusteeship Council at its thirty-eighth session concerning the Trust Territory of New Guinea appear in the report of the Trusteeship Council to the General Assembly at its twenty-sixth session. n/

28. At 30 June 1970 the population of Papua, excluding Port Moresby, was as follows:

On the basis of the 1966 census	666,474
Estimated	<u>2,490</u>
Total	668,964

The indigenous population of Port Moresby, according to the 1966 census, was 32,222. It is reported that the population of the capital and environs is now about 60,000. The enumerated indigenous population of the Trust Territory at 30 June 1970 was 1,763,429. The non-indigenous population numbered 20,265 at the census of June 1966.

j/ This section is based on published reports, on the information on Papua transmitted to the Secretary-General by Australia under Article 73 e of the Charter on 13 July 1971 for the year ending 30 June 1970, and on information concerning the Trust Territory of New Guinea before the Trusteeship Council at its thirty-eighth session, including the report of the Administering Authority for the period 1 July 1969 to 30 June 1970 transmitted under Article 88 of the Charter (T/1715 and Add.1), and the report of the United Nations Visiting Mission to the Trust Territory of New Guinea, 1971 (Official Records of the Trusteeship Council, Thirty-eighth Session, Supplement No. 2 (T/1728)).

k/ Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 4 (A/8404), part II.

l/ Official Records of the Trusteeship Council, Thirty-eighth Session, Supplement No. 2 (T/1728).

m/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XIV, annex III.F.

n/ Ibid., Twenty-sixth Session, Supplement No. 4 (A/8404).

29. It is reported that a new national census has been held between 5 and 19 July 1971. The Administrator, Mr. L.W. Johnson, has said that the census would include all of the towns of Papua New Guinea but only one village out of every ten. The task of gathering information from every village was too great and it was considered that a fairly accurate picture of the country as a whole could be obtained by selecting a sample of villages. It was anticipated that information would be gathered from about 650,000 people.

30. The national status of persons born in the Territory of Papua is defined by the Nationality and Citizenship Act, 1948-1967 of the Commonwealth of Australia which is extended to the Territory. Persons born in Papua are Australian citizens by birth and by virtue of that citizenship they are British subjects.

31. The 1971 Visiting Mission stated that "the fact that Papua is an Australian Territory and Papuans are Australian citizens, while New Guinea is a Trust Territory... and its people are Australian protected persons, confers no practical benefits but it does cause confusion. As the Select Committee has recorded, it has given rise to a claim by certain Papuans that Papua should be treated separately as regards internal self-government...". The Mission believed "it to be desirable that a single citizenship law should be established for internal purposes as soon as possible for the whole Territory. Any proposal to this effect should first be initiated by the House of Assembly for discussion with the Australian authorities".

32. It is reported that legislation setting out the requirements for Papua New Guinea citizenship was expected to be introduced in the House of Assembly in August 1971. Resolution of the question, it is considered, would help to stabilize the Territory's economic development, since many expatriates are now unable to make long-term economic decisions because they do not know what their status would be after independence.

33. The 1971 Visiting Mission also stated in its report that it had heard many expressions of concern about the unity of the whole Territory as it moved towards self-government and independence. This concern related both to incipient separatist tendencies in areas such as Bougainville and the Gazelle Peninsula and to fears that Papua's different international status might cause it to move away from New Guinea. The Mission considered it important to give what assurance was possible on both accounts and it shared the view expressed by the Select Committee that the vast majority of the people of Papua and New Guinea desired a strong central government and a united country. It accordingly believed that separatism should be discouraged.

34. It was reported in May 1971 that the Australian Government, through the Administration, had launched a new campaign to promote national unity. The move had been prompted by concern about a survey conducted by Papuan members of the House of Assembly to determine whether Papuans wanted to break away from New Guinea. A reformed programme of mass political education was to be devised in which it was likely that impartiality on issues and concepts would be dropped in favour of a concerted effort to keep the Territory intact after independence.

35. The Administrator stated at that time that he was authorized to reaffirm that it was the policy of the Australian Government to advance Papua New Guinea to internal self-government and independence as a united country. There was no ground for any people of the Territory to expect, as self-government and independence approached, that their present legal status would lead to any difference in their treatment by the Australian Government or the Administration or to any difference in their rights. In his statement, the Administrator

predicted that unless the Territory advanced in unity it would inevitably break down into a collection of tiny, hostile fragments which would not be able to meet the aspirations of the people.

36. When the House of Assembly began its last meeting on 31 May, one of the Papuan members, Mr. V.B. Council, was granted leave to present the findings of the survey mentioned above. He reportedly said that the inquiry, held mainly among local government councils, o/ had revealed that 80 per cent of Papuans questioned did not want union with New Guinea at this time and 54 per cent favoured permanent separation. Councillors were supposedly unanimous that Papuans should have equal voting rights with New Guineans in the House of Assembly. Teachers were concerned that Papuans would lose their identity and others had forecast civil war if they were not consulted regarding their own future.

37. After two days of debate on the subject, on 1 June, the House of Assembly adopted a motion, by 30 votes to 25, calling on Australia to take no action to alter the status and rights of Papuans "without the express approval of the Papuan people or their elected representatives". Three days later it called for an all-party committee from the Australian Parliament to tour Papua and determine the wishes of its people.

38. According to press reports, the House debates on Papua were not attacking the campaign for national unity, but rather, the way in which the Government was trying to impose it. The debates showed that Papuan members were fairly well organized and determined to have a say in their own future.

39. The following week, the spokesman for the Administrator's Executive Council, Mr. Thomas Leahy, issued a statement of principle on the provision of a Papua New Guinea citizenship, which reportedly seemed to oppose the motions taken by the House of Assembly concerning Papua. "We would hope", he said, "that establishing a common citizenship status for Papuans and New Guineans would clarify their status and remove some differences which are now seen to exist...."

40. It was also reported that a National Day was to be celebrated in September. The National Committee had also decided on a symbol showing a circle of figures with the slogan, "Unite" in the centre.

41. The 1971 Visiting Mission drew attention to one question that could harm good relations between a united Territory and Australia in the future: the question of the border with the Australian state of Queensland. The border runs within a mile of the Papuan coast and includes under Queensland jurisdiction all the intervening islands, including three, with a total population of 370, which lie close inshore. This situation is regarded locally on the Papuan side as anomalous and there is incipient pressure for revision of the boundary in the Territory's favour. It is reported that at the June 1969 session of the House of Assembly, Mr. Ebia Olewale, the member for South Fly-Open Electorate, the electorate nearest Cape York, moved that the boundary be moved south, to nine degrees 32 minutes south latitude. In the opinion of the Visiting Mission, the question is one which merits being kept under constant review.

42. Since 14 July the areas around Rabaul on the Gazelle Peninsula and Kimbe, both on New Britain Island, and Namatanai, New Ireland Island, have been struck by two

o/ Of 70 questionnaires sent out, approximately 40 were returned.

violent earthquakes and a series of earth tremors both followed by considerable tide fluctuations. The major quakes, on 14 and 26 July, were 8.1 and 8.4 respectively on the Richter Scale and originated 50 miles below the floor of the Solomon Sea, between New Britain and Bougainville. Matupit Island near Rabaul, a stronghold of the Mataungan Association, had to be evacuated. Surprisingly few casualties have been reported thus far but there has been widespread damage in the area.

43. Papua New Guinea sits astride the southern curve of the "Ring of Fire", a belt of volcanic and earthquake activity that circles the Pacific Ocean from Japan to South America. It is an area of extreme violence with more than 400 earthquakes recorded each year along the north coast of the New Guinea mainland and among the islands to the west.

Political and constitutional developments

General

44. The Papua and New Guinea Act 1949-1968 provides for the administration of the Trust Territory in an administrative union with the Territory of Papua in accordance with article 5 of the Trusteeship Agreement for New Guinea, which is administered by the Minister of State for External Territories. The Act provides for the appointment of an Administrator to administer the government of the Territories on behalf of the Commonwealth of Australia. It also provides for a House of Assembly which has power to make ordinances for the peace, order and good government of the Territories. A House of Assembly was inaugurated in 1964. Its membership was increased by a 1966 amendment to the Act. Amendments in 1968 introduced changes designed to give elected members a greater share in the executive government and also established the Administrator's Executive Council. The composition, powers and functions of the House of Assembly and the Administrator's Executive Council are set out in the references cited above.

45. The 1971 Visiting Mission in its report p/ set out the powers which were transferred in August 1970 by the administering Power to ministerial members, assistant ministerial members, the Administrator's Executive Council and the House of Assembly. It also pointed out that certain important fields had not yet been transferred including the Public Service, the control of internal security and field administration and economic policy and development planning.

46. The administering Power, with a view to recommending the best way of handing over responsibility and authority to the Territory for functions now carried out by various Commonwealth departments, has set up an interdepartmental committee to examine the matter.

47. On 27 April 1971, the Minister of State for External Territories announced in the Australian Parliament that the administering Power had accepted the recommendations of the Select Committee on Constitutional Development as agreed to by the House of Assembly on 11 March 1971. Among the major steps which Mr. Barnes announced, according to press reports, were the appointment of 17 ministers after

p/ Official Records of the Trusteeship Council, Thirty-eighth Session, Supplement No. 2 (T/1728), paras. 282-289, as well as annex II.

the 1972 elections; the reduction of the number of official members of the House from 10 to four; the creation of not more than three positions of nominated Members of the House to represent special groups, such as women; the creation of three new regional electorates, bringing the total of regional electorates to 18; and 13 new open electorates, raising these to 82. The authority of the Australian Administrator would be gradually confined to matters which remained the responsibility of Australia.

Elections

48. The Australian Government has adopted legislation to give full effect to those recommendations of the Select Committee on Constitutional Development which deal with the House of Assembly elections in March/April 1972. On 25 March 1971, the formation of the Electoral Boundaries Distribution Committee was announced. Under the Papua-New Guinea Electoral Ordinance a redistribution committee must redistribute boundaries following a change in the composition of the House. The Chairman of the Committee was Mr. Simon Kaumi, the Chief Electoral Officer, who, together with the majority of its other seven members, is an indigenous person. The Committee's recommendations are reportedly to be considered at the budget meeting of the House of Assembly in August 1971. In the meantime, preparations are proceeding to compile rolls for the next elections.

49. It will be recalled that in March 1971 the House of Assembly adopted legislation giving effect to the recommendations of the Commission of Inquiry into the electoral system of the Territory whereby, inter alia, the minimum age for voting was lowered from 21 to 18 years, and voters were enrolled in the electorate in which they have lived for six months continuously instead of having the option of enrolling in their "home" (or tribal) electorates. According to press reports it is expected that lowering of the voting age will increase the number of persons entitled to vote in the 1972 elections by about 200,000.

Political parties

50. The administering Power has reported the emergence of the following additional parties since 1 July 1970: the United Party (formerly the Compass Party), the National Beraina Emerging Party, the Papuan Action Group, the National Labor Party and the New Guinea National Party.

51. At the June 1971 session, when for the first time political parties were recognized in the House of Assembly and at a national level, and seats were accordingly re-allocated, it was reported that the United Party would occupy 36 seats; the People's Progress Party, 10 seats; the Pangu Party, nine seats; the Under Developed Districts, two seats; the New Guinea National Party, one seat; and about 10 seats would be set aside for independent members.

Judiciary

52. The creation of two new types of courts and the establishment of an independent Judicial Services Commission is reportedly expected to result from the major review now being made of the Territory's judicial system. The review is also expected to produce new appeal procedures designed to provide appellate courts. This would greatly reduce the appellate workload of the Territory's Supreme Court. Papua New Guinea has a seven-man Supreme Court with individual judges reportedly spending a good deal of time travelling as circuit judges.

53. There are also district courts, presided over by stipendiary and resident magistrates and senior administration officials, and local courts, presided over by indigenous magistrates and patrol officers.

54. The judicial review may result in the formation of a "grass roots" system of village courts. Village courts would use elders to resolve minor cases and deal with matters of customary law, not now covered by the Territory's legal structure.

55. A series of superior district courts is also being considered. Such superior courts, in addition to jurisdiction over a wide range of cases, would act as courts of appeal from lower courts. Appeals from the superior district courts would go to the Supreme Court.

56. The establishment of a Judicial Services Commission has been advocated in Papua New Guinea on the grounds that it would be dangerous to leave the country's legal system tied to a government department as independence approaches.

57. The judicial review is being carried out with urgency to enable legislation to be drafted and approved by the Administrator's Executive Council and the Australian Government before presentation to the House of Assembly later in the year.

58. It is reported that there are 26 indigenous full-time magistrates in the field, 14 assistant local magistrates now undergoing practical training and 19 trainees expected to graduate during the year.

59. It was also reported earlier this year that the first local man (from Chimbu District) has been appointed to the Supreme Court as a full-time judge's associate. Also, the Territory's second law graduate has been admitted to the bar in the Supreme Court in May 1971.

Local government

60. At 30 June 1970 there were 52 local councils in Papua, representing 539,019 persons, compared with 520,879 in the previous year. Forty of these councils were multiracial. The most recent figures concerning the Trust Territory of New Guinea are given in the report of the Trusteeship Council to the General Assembly at its twenty-sixth session. q/

61. Concerning the situation on the Gazelle Peninsula, r/ at the 1377th meeting of the Trusteeship Council, the Special Representative informed members of recent developments as at that date, 2 June 1971. s/

q/ Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 4 (A/8404), para. 135.

r/ See ibid., Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap.XIV annex III.F, paras. 35-55; and Official Records of the Trusteeship Council, Thirty-eighth Session, Supplement No. 2 (T/1728), paras. 109, 112, 295, 296 and 298.

s/ T/PV.1377, pp. 57-61.

62. Elections to a new Gazelle Local Government Council were to have been held in June, but the Administrator's Executive Council, following a request by the Local Council, had extended the tenure of the present Council by up to six months because "there is little hope of meaningful participation" at the present time. The Mataungan Association has continued to have nothing to do with the Gazelle Local Government Council, even as a monoracial body, and has conducted its own elections for a council. It is reported that 2,000 persons attended the proclamation forming the Mataungan's Council on Matupit Island at the end of May. Seven thousand took part in festivities celebrating the proclamation. The Mataungan Council comprising 50 members is to run in opposition to the Gazelle Peninsula Local Government Council, supported by the Administration.

63. Trouble reportedly began anew in June when villagers uprooted survey pegs and evicted engineering contractors working on the site of a new power house for Rabaul at Kabaira Bay. Subsequently, villagers attacked police on 28 June near a defunct cocoa fermentary of the Tolai Cocoa Project now converted to the New Guinea Islands Produce Company. The incident supposedly involved 500 Tolai men and 90 police. Three days later, another incident occurred following the attempt to serve a summons on one of the officials of the Mataungan Council. The summons alleged that he had hindered police in the execution of their duty in the previous clash.

64. The Administration, it is reported, has invited a Canadian anthropologist, Professor R.F. Salisbury, to study the situation on the Gazelle Peninsula in order to find areas of possible agreement in the differences which have split the Tolai people and have caused friction over a considerable amount of time between the Mataungan Association and the Administration. Professor Salisbury was to be in the Territory for one month.

65. As reported to the Trusteeship Council at its thirty-eighth session, town councils were established in certain urban areas of the Territory early in 1971. Town advisory councils are to be abolished when town council elections take place. Following the Council's session, it was reported that the Administrator's Executive Council had approved the establishment of a Rabaul Town Council. Elections were expected to be held in October 1971. The establishment of this Town Council has been delayed because of the general situation on the Gazelle Peninsula.

Public service

66. The Papua and New Guinea public service has been dealt with extensively in the report of the 1971 Visiting Mission and in the report of the Trusteeship Council to the General Assembly. t/ In addition, the following information has been supplied by the administering Power.

67. Numbers of staff (classified according to the nature of their appointment status) at 30 June 1970 and 28 February 1971 was as follows:

t/ Official Records of the Trusteeship Council, Thirty-eighth Session, Supplement No. 2 (T/1728); Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 4 (A/8404).

At 30 June 1970

At 28 February 1971

Within the public service

First, Second and Third Divisions

Permanent officers

Overseas	1,513	1,258
Local	8,528	7,039

Contract officers a/

Contract officers	3,012	2,456
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Temporary employees

Overseas	2,538	2,361
Local <u>b/</u>	<u>6,036</u>	<u>6,022</u>

Sub-total	21,761	19,136
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Outside the public service

Statutory appointees	39	40
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Special determination employees	<u>53</u>	<u>34</u>
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Sub-total	<u>92</u>	<u>74</u>
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TOTAL	21,853	19,210
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a/ A contract officer is an employee recruited on overseas conditions for a specified period, usually two to four years.

b/ Some 3,000 of these personnel are undergoing formalities (medical, x-ray, character checks) prior to permanent appointment.

68. Numbers of members of each section of the population employed in the public service at 28 February 1971 were:

Employed under the Public Service Ordinance

Indigenes	14,858	
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Europeans	<u>6,075</u>	
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Total		20,933
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Special determination		34
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Administration servants		<u>179</u>
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TOTAL		21,146
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69. It was reported in April 1971 that a privately circulated paper prepared by the Territorial Director of Education, Dr. McKinnon, and a supporting technical assessment by a Harvard University post-graduate student, Dr. Daloz, had been outspokenly critical of the rate of localization and had called for a "war-time emergency" approach to handing over jobs in both the public service and private enterprise. The document reportedly said that anything less than such an approach "threatens investors in the private sphere and increases frustrations in the Public Service".

70. At the time, a Public Service Board spokesman had stated that the Board was developing plans to "considerably speed up the localization of the public service".

The Minister for External Territories, Mr. Barnes, also said that his department had taken a new look at "localization".

71. It was reported on 18 June that a programme to speed localization had been rejected by the Australian Cabinet and that in its place the Cabinet had ordered an urgent inquiry by a committee of high-level Australian public servants into all aspects of localization and the retention of overseas officers in the territorial public service. The inquiry had been announced in the House of Assembly by the Deputy Administrator. The President of the Public Service Association, Mr. T.C. Jackson, expressed the Association's "extreme disappointment at the further delay in completing a matter of such vital importance to the Territory's future". The report of the Committee of inquiry was to be placed before the Australian Cabinet as soon as possible. The Australian Government's unexpected action was interpreted as the Cabinet's dissatisfaction with the new localization policy and its desire to obtain a second opinion from its own officials.

72. It is also reported that the delay in settling both the localization programme and future arrangements for overseas officers would be major issues at the annual general congress of the Public Service Association on 14 August 1971.

73. In March 1971, it was reported that four Papuans had been appointed as Acting Deputy District Commissioners in the Division of District Administration. They are the first Papuans to be promoted to such positions.

74. The Police Commissioner for Papua New Guinea has reportedly announced that there will be no further recruitment of expatriate officers for the Territory's police force. He stated also that when a post now filled by an expatriate became vacant it would be filled by an indigenous officer. This policy would apply in all cases except in areas of special skills such as top management, forensic sciences and the like. At the end of April 1971, it was reported that there were 3,645 policemen in the Territory, of whom 189 were expatriates. The force reportedly has 60 indigenous officers with another 27 expected at the end of the year.

Political education

75. The subject of political education in Papua New Guinea is described in the report of the 1971 Visiting Mission and in the report of the Trusteeship Council to the General Assembly at its twenty-sixth session. u/

Future of the Territory

76. An entire chapter is devoted to the subject of the future of the Territory in the report of the 1971 Visiting Mission. y/ The Mission endorsed the findings of the Select Committee on Constitutional Development; in particular it agreed with the Committee that since the rate of political development was accelerating there might be a majority demand for internal self-government before the end of the 1972-1976 House of Assembly; and that, in consequence, the development of the

u/ Ibid.

y/ Official Records of the Trusteeship Council, Thirty-eighth Session, Supplement No. 2 (T/1728).

Territory should be geared to preparing it for self-government during the life of the next House. It went on to say that while the chief responsibility for setting a date for independence should rest with the government of a self-governing Papua and New Guinea, the Mission believed that it would be both prudent and realistic to assume for planning purposes that independence would be achieved during the life of the Fourth House of Assembly.

77. In its report to the General Assembly, the Trusteeship Council referred to the statement of the Minister for External Territories made on 27 April 1971 (see paragraph 47 above) to the effect that the programme for further movement towards internal self-government would require consultations with the Territory leadership group after the 1972 elections. Given that a cohesive group of ministers emerged, with a majority backing in the House, he envisaged that the Commonwealth of Australia would in practice regard this group as constituting a government and would negotiate with the leader of the group for the handing over of further authority step by step as he felt in a position, with the support of the House of Assembly, to accept added responsibility. When that process was completed the Commonwealth would amend the Papua and New Guinea Act to give formal recognition to the attainment of full internal self-government. The Council welcomed this declaration.

78. It is reported that on 22 June, the Australian Labor Party had pledged to grant full independence to New Guinea by the end of 1975 if it was elected to office at the Australian general elections in 1972. The ALP adopted a policy declaring "the Labor Party will ensure the orderly and secure transfer to Papua New Guinea of self-government and independence in its first term of office. However, early independence was opposed by two prominent members of the Federal Parliamentary Labor Party executive.

79. In the Territory, it was also reported that one of the vice-presidents of the United Party, Mr. Sinake Giregire, protested against the ALP's policy of rapid independence for Papua New Guinea.

Economic conditions

General

80. The 1971 Visiting Mission has pointed out that the gross national product rose at the annual rate of 14.8 per cent from 1965 to 1969 and then by 25 per cent during the fiscal year 1969/70 and that the national income, excluding the subsistence economy, had virtually doubled in five years. On the other hand, the population growth rate was among the world's highest, an annual average rate of 3 per cent. The basis of the Territory's economy continues to be primary production, with agriculture still the most important activity. In 1969/70, agricultural products made up over 80 per cent of the total value of exports, excluding re-exports. Although the economy remains largely dependent on agricultural products, the range of these products is increasing and the economy as a whole is becoming more diversified.

81. Australia reported to the Trusteeship Council that as the economy of the Territory has become more complex, the need for capital to finance the enterprise of producers has also grown. The need for capital has, nevertheless, been met in a number of areas by community activity such as co-operative ventures, economic

projects organized by local government councils, and loan societies, as well as by loans from funds administered by the Papua and New Guinea Development Bank.

82. The administering Power regards capital formation as a major problem and has encouraged outside capital investments. As examples of the efforts which have been made to encourage Australian and overseas interests to invest in Papua New Guinea are press accounts of a new publication, "Investment Pulse, Papua and New Guinea" now being distributed to Australian businessmen, bankers, industrialists and exporters; and of a mission including eight Australian businessmen ranging from department store executives to the manager of international development of Broken Hill Pty. Co., Ltd., to visit the Bougainville Copper mine, the Cape Hoskins oil palm project and the Bulolo timber industry in order to see first hand the Territory's investment potential. It was also reported that displays in London, San Francisco, Los Angeles, Sydney and Wellington were at present drawing attention to investment opportunities.

Economic development programme

83. To a large extent, according to the 1971 Visiting Mission, the situation today is the result of a five-year Economic Development Programme. A preliminary draft, approved by the House of Assembly in June 1967, was followed by a revised programme for the period 1968-1973 which was presented in September 1968. In June 1971, it was to have been revised for the period 1972/73 and was to have included a projection up to 1974/75. A second programme, to be completed in 1978/79, is under study. The first programme has been directly based on the 1964 report of the survey mission of the International Bank for Reconstruction and Development (IBRD). It envisaged the expenditure of nearly \$A1,000 million by the Administration over the first five years. The programme has been extensively described in the most recent reports of the Trusteeship Council and of the Special Committee to the General Assembly and in the reports of the 1968 and 1971 Visiting Missions. w/

84. The 1971 Visiting Mission considered that economic policies and development planning should "be brought within the ambit of the ministerial system". On 2 June 1971, the Ministerial Member for Health and Deputy Spokesman of the Administrator's Executive Council, Mr. Lokoloko, informed the Trusteeship Council x/ that a committee of the Executive Council with over-all responsibility for developing planning, and a new Office of Programming and Co-ordination (OPC) under the control of a ministerial Member would be set up. The OPC, it was reported in the press, would be directed by the Territory's economic adviser.

Public finance

85. The revenues of Papua New Guinea are supplemented by a direct, interest-free and non-repayable grant from the administering Power. The grant for 1969/70 was \$A97,270,921, and of this amount \$A25,851,014 was allocated to Papua. The revenues raised within Papua are derived mainly from import tariffs and direct taxation and in 1969/70 amounted to \$A32,272,364, excluding loan raisings. The corresponding figures for the Trust Territory appear in the report of the Trusteeship Council to

w/ See ibid., Thirty-fifth Session, Supplement No. 2 (T/1690), chap. III; and ibid., Thirty-eighth Session, Supplement No. 2 (T/1728), chap. III.

x/ T/PV.1377

the General Assembly. y/ At 30 June 1970, the public debt of Papua and New Guinea amounted to \$A60,574,034, compared with \$A38,678,810 at 30 June 1969.

86. Separate statistics for the Territory of Papua and the Trust Territory of New Guinea are no longer available. The value of the two Territories' combined trade continued to rise. Exports totalled \$A93,746,000 (provisional figure) in 1969/70, compared with \$A75,244,000 in 1968/69. Imports rose from \$A150,455,000 to \$A214,161,000 in 1969/70.

87. Details on the Papua and New Guinea Development Bank which opened in 1967 are given in the report of the 1971 Visiting Mission and the report of the Trusteeship Council to the General Assembly at its twenty-sixth session.

88. Another achievement in this area during the period under review was the acceptance as of 8 April 1971 of the Territory as a full member of the Asian Development Bank. The Assistant Ministerial Member for the Treasury, Mr. Oala Oala-Rarua, recently headed a delegation to a meeting of the Bank in Singapore and the Bank has sent a three-man reconnaissance mission to the Territory. The Territory is preparing applications for assistance from the Bank and the administering Power has expressed the hope that certain works may soon be undertaken with Bank finance. It is reported that the Bank is extending loans to member countries for projects in education and highway development. The cost to the Territory of joining is about \$A310,000 in payments to the Bank over a five-year period, or \$A62,000 a year from 1971 to 1975. Mr. Oala-Rarua is Papua New Guinea's member on the Bank's Board of Governors.

Power

89. The 1971 Visiting Mission reported that whereas the installed capacity in the Territory was a little more than 23 mw in 1970, when the Ramu dam was finally completed in the Eastern Highlands, the capacity would then be 250 mw. The initial phase, which the Administration had hoped would begin in 1971 and be completed in 1976, would bring into operation a 100,000 horsepower generative station. The project would cost \$A29 million, of which \$A21 million had been requested from the International Development Association (IDA) and would serve an area where almost half of the population of the Territory lived, i.e. Lae, Madang, Mount Hagen, Goroka and Kainantu.

90. At the thirty-eighth session of the Trusteeship Council, the Special Representative announced that an agreement had been reached by which the IBRD, through IDA, would lend the Administration \$A20.7 million for the Papua New Guinea Electricity Commission to enable work to begin on the Upper Ramu Hydro-Electric Scheme.

91. At the time the loan was announced in the press, at the end of April 1971, it was reported that the loan would be for 25 years with a five-year grace period, at a yearly interest of 7.25 per cent. The project is for construction of an underground power station with an initial capacity of 45 mw, but with room for two additional 15 mw generators.

92. As at 30 June 1970, installed capacity of plant in the main centres of Papua was:

y/ See Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 4 (A/8404).

	<u>Installed capacity</u> kw	<u>Units generated</u> kwh
Diesel stations		
Samarai	440	827
Daru	450	990
Popondetta	450	985
Total	1,340	2,802
Hydro stations		
Port Moresby	35,500	90,837
Grand total	36,840	93.639

93. In the report under review it is reported that work was commenced on raising Sirinumu Dam. This would increase the firm flow from 230 to 245 cusecs. The work was to be completed by December 1970 and indeed, according to press reports, work was completed and the storage is full.

94. The new 5.0 MVA 33/11 kV Bamana Zone Sub-Station near Port Moresby was completed and energized in October 1969.

95. Design work is proceeding on the installation of a 1.6 mw generator at Sirinumu Dam to produce power from water discharged. This is expected to be commissioned in mid-1972.

96. Design work has commenced on construction of Rouna No. 3 power station, consisting of 2 x 6 MW hydro-electric generating sets and due for completion early in 1974.

Tourism

97. According to the 1971 Visiting Mission, the Territory has set about exploiting its touristic resources. A privately run Tourist Board, subsidized from the Territory's budget, has distributed 200,000 pamphlets in four years in the Territory, in the United Kingdom and, through the Australian overseas offices, in other parts of the world. In 1970, 44,300 persons visited the Territory and spent \$A10.5 million which placed tourism among the main sources of income for the Territory.

98. Australian State and Commonwealth Ministers for Tourism met in July 1971 in Port Moresby. During their conference, they were addressed by the Administrator. Mr. Johnson reportedly told them that the Territory needed \$A3 million to \$A4 million investment annually to keep pace with the present traffic growth. Among the problems which had to be overcome, according to him, were those of transport (a really first class international airport in Port Moresby), accommodation, economy and promotion. An incentive scheme for the hotel accommodation industry has been submitted to the Administrator's Executive Council. It has not yet been submitted to the House of Assembly.

99. The Administrator's Executive Council reportedly has requested the Australian Government for its plans for aviation development in the Territory. It has asked for decisions concerning the airport at Port Moresby, a second international airport and air links with overseas countries. The AEC spokesman, Mr. Leahy, has said that lack of a decision was detaining development of the Territory's tourist industry.

100. Two new tourist attractions recently reported in the press are a motel-resort on Arovo Island in the entrance to Kieta Harbor (Bougainville District), built at a cost of \$A600,000 and a tourist scheme on Wuvulu Island, outlying sentinel of the Ninigo group (Manus Island District), 140 miles north-west of Wewak. United States interests reportedly have invested \$A900,000 in the latter.

Transport and communications

(a) General

101. The 1963 Mission from IBRD recommended that a Department of Transport be created which would promote as a single integrated concept the organization, regulation and development of all road, sea and air transport. The Directorate of Road Transport was created to have the responsibility of all transport matters.

102. The final report of the transport consultants of UNDP, following their visit to the Territory in 1968/69, recommended that all the staff and activities of the Directorate of Transport, all transport regulation and the responsibility for providing land and sea transport become the responsibility of a new Department of Transport. This Department was formally created on 4 August 1970. Mr. Joseph Lue, indigenous Member of the House of Assembly for the Regional Electorate of Bougainville was named as Assistant Ministerial Member in charge of the new Department.

103. The new Department was formed by the amalgamation of the old Directorate of Transport, the former Division of Marine in the Department of Trade and Industry and the former Transport Branch of the Department of Treasury.

104. The functions of the new Department as approved by the Minister of State for External Territories are: to undertake studies relating to the administration and development of transportation systems within the Territory; to develop, formulate, recommend and implement transportation policies and programmes for facilities, services and regulation, including those of relevant statutory authorities; to formulate and administer transportation legislation; to operate Administration transport fleets, and train Papuans and New Guineans in all aspects of maintenance and operation of these, and where necessary to operate and maintain the Administration's transport facilities (airfields, ports and training institutions).

(b) Roads

105. The New Guinea road network consists of about 5,200 miles of roads, of which 1,605 miles are classified as highway or trunk roads and 166 as urban roads.

106. Expenditure on the construction and maintenance of roads and bridges during the last three financial years was:

<u>Year</u>	<u>Maintenance</u> (thousand Australian dollars)	<u>Construction</u>	<u>Total</u>
1968/69	4,602	3,579	8,182
1969/70	5,203	4,192	9,394
1970/71 <u>a/</u>	6,417	5,761	12,176

a/ Estimate.

107. These comparative expenditure figures indicate that increasing emphasis is being placed on road maintenance and construction expenditure which may exceed \$A16 million in 1971/72. Increased standards and mileages of roads are reflected in increased vehicular usage, and shown by comparison of the total vehicle registrations during the last five years, i.e.:

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
Vehicles	10,727	12,468	15,309	18,333	22,035
Percentage 100		116	143	171	205

108. It is reported that the Minister for External Territories, Mr. C.E. Barnes, officially opened a new road linking Vanimo to Wutung Patrol Post at the West Irian border. The 26-mile road which cost more than \$A200,000 passes through all the villages in the West Sepik District between district headquarters and the border.

109. There is an active campaign, according to the press, to have all or part of the Highlands Highway sealed. Two local government councils, the Markham and the Kainantu, have adopted resolutions on the subject. The Road Transport Association of Papua New Guinea estimates that to do this between Lae and Goroka would cost \$A3 million. The Administration has supposedly requested a \$A1 million loan from the Asian Development Bank towards this purpose. The Highlands Highway is one of the most important arteries in the Territory. Through it the four highlands districts have been opened up economically.

(c) Air transport services

110. The Administration does not, at present, have any ownership participation in airline or charter companies. During the recent merger of Papuan Airlines and Ansett Airlines of Papua New Guinea the Administration has, however, acquired the right to participate in Papuan Airlines Pty., Ltd., and to take up 20 per cent of the shares in the next three years.

(d) Shipping

111. The 1971 Visiting Mission said that the previous Mission had noted certain anomalies in freight rates and had endorsed the criticisms voted by the Planters' Association with regard to the high cost of transport by sea between Australia and the Territory. Those comments, said the 1971 Mission, were still valid. During the Mission's visit, a 15 per cent increase in freight rates was decided on by the shipping conference. As at 1 July, freight rates were due to increase another 9 per cent. Both the Minister for External Territories and the Administration have spoken out strongly against these increases, stating at the same time that the Administration could not control these increases except perhaps to look at alternative means of carrying Administration freight. In January 1970, for example, the freight on copra had been \$A17 a ton. With the latest increase this would rise to \$A27.60 a ton. The lines reportedly raising their rates included Karlander (Aust.) Pty. Ltd. (Norwegian-owned), the Papua New Guinea Line and CONPAC, Ltd. (Containers Pacific Express Line).

112. The Ministerial Member for Trade and Industry, Mr. Angmai Bilas, has reportedly called for the formation of shippers' councils in Papua New Guinea to help establish recognized negotiating bodies with shipowners.

113. It is also reported that the Administration has begun work on a priority plan in an attempt to reduce shipping rates. The proposal is a partnership with one of the four shipping companies now operating to the Territory, possibly the New Guinea-Australia Line, a subsidiary of the China Navigation Co. It would be a first step towards establishing a national shipping line. Other plans are also being discussed.

(e) Radio

114. It is reported that the Administrator's Executive Council has accepted a proposal for the establishment of a national broadcasting authority in the Territory. Under terms as yet to be negotiated, the Australian Broadcasting Commission's facilities and the Administration radio network would be merged.

Social conditions

General

115. It is reported that in June 1971, the House of Assembly adopted a Bill of Rights for Papua-New Guinea. The Bill outlines and protects certain human rights and fundamental freedoms for the people of the Territory. It was adopted with several amendments, one of which removed its strongest feature, that of overriding all other legislation in the Territory. One of its sections supposedly allows any individual who considers that his rights or his freedom has been interfered with to take the matter to the Supreme Court for a decision.

116. It is also reported that there has been a certain amount of misunderstanding over the new Public Order Ordinance which came into force in April 1971. The Ordinance supposedly bans public meeting without permit when the meeting is to be held in an area declared by the Administrator's Executive Council to be one to which provisions of the Ordinance apply. No area of the Territory has been so declared under the Ordinance.

Discrimination

117. The 1971 Visiting Mission stated that there was no overt discrimination in the Territory, but that social segregation needed watching.

118. At the thirty-eighth session of the Trusteeship Council, its President, in accordance with the provisions of General Assembly resolution 2106 B (XX) of 21 December 1965, referred the petitions contained in document T/PET.8/33, from Mr. Uwe Lilje, and T/PET.8/34 from the Mataungan Association, Rabaul, to the Committee on the Elimination of Racial Discrimination.

Cargo cult

119. The distinguished Australian journalist, Mr. Peter Hastings, has written: "There seems the possibility that for a very long time to come various aspects of development including education and politics may be perceived in chiliast terms. After all New Guinea is a poor country and there is simply going to be continued actual and perceived deprivation in various forms and at various levels for which, presumably, there must be, as in the past, explanations and chiliast solutions...". z/ Another manifestation of millenarianism was reported to the Trusteeship Council at its thirty-eighth session.

z/ P. Hastings, New Guinea: Problems and Prospects (Cheshire, Melbourne and Marrickville, New South Wales, 1969), p. 122.

120. In 1962, units of the United States and Australian Air Forces placed a series of geodetic survey markers on the peak of Mount Turu for aerial mapping purposes. Mount Turu is 70 miles inland from Wewak in the Prince Alexander Mountains of East Sepik District. The cultists believed that the markers were responsible for angering the gods who, in turn, had withered crops and frightened away the game and fish in the area. They wanted the markers removed in order to restore the natural wealth and also attain the wealth and material possessions of the white people living among them. There were even stories of human sacrifice to be performed on the mountain on 7 July 1971, in accordance with a peculiar interpretation placed on the ninth and tenth Chapters of the Book of the Revelation of St. John the Divine, which speaks of obtaining "the key to a bottomless pit".

121. Disturbing as these beliefs were (they were clearly seriously held), even more so was the involvement in the cult of a member of the Territory's House of Assembly. Eventually, this Member of the House disowned the Sepik cargo cult, but not before vowing that he would explain the movement to the other members of the House.

122. It is reported that on 7 July a large crowd, the exact number is not known but it numbered perhaps 10,000, climbed Mount Turu and removed two of the survey markers. There was no violence reported. At latest report, the Administration had made no decision on whether to prosecute the cargo cultists. The Department of Lands was to advise whether the markers were necessary.

123. Two other such cults were reported on by the 1971 Visiting Mission. Such cargo cults are not an unusual phenomenon in the Pacific. In dealing with them, the Administration has stated that it relies mainly on patient explanation. It is firm policy to make arrests only when laws are broken. Nevertheless, in the case of the Sepik cult the situation was regarded most seriously because of the possibility of human sacrifice and also because of the numbers of people involved and the long-term effects on the villagers.

Labour

(a) General

124. At 30 June 1970, there were an estimated 154,000 indigenous wage and salary earners. At the same time there were 27 workers' associations. In December 1970, membership of trade unions and workers' associations was 22,509, including 2,752 expatriates.

125. An employment and Counselling Branch was established in the period under review, and the role of the former Employment Placement Service was taken over by this Service. An office has been opened at Boroko (Port Moresby) and another was to be opened at Lae. It is planned that these services will be provided throughout the Territory. To the end of February 1971, 1,665 secondary and technical school leavers' applications were processed. This is a special project outside the normal employment service where 9,731 applicants were registered, of whom 2,755 were placed from 3,566 vacancies notified.

(b) Apprenticeship

126. As a result of the adoption by the House of Assembly of the Apprenticeship (Categories of Apprenticeship Trade) Ordinance 1970, a determination was issued on 10 December 1970 which detailed the minimum educational qualification required

for entry into apprenticeship training and which established three trade categories as follows:

Category A: indenture period of four years where practical training is available or expected to be available in Papua New Guinea and for which supplementary training will be provided by the Department of Education or other approved institution;

Category B: indenture period of four years where practical training is available in Papua New Guinea and for which supplementary training will be provided by correspondence lessons and examination by an Australian Department of Education;

Category C: indenture period of three years where practical training is available or expected to be available in Papua New Guinea and for which supplementary training will be provided by the Department of Education or other approved institution.

127. It is reported that since the first apprentice received his certificate in 1958, a total of 1,199 Papuans and New Guineans have completed their training. Included in this number are 73 tradesmen who received their training in the army, and the first four men to have completed their apprenticeship training with the navy.

128. The Indigenous Training Incentive Scheme is concerned with vocational training for commerce and industry. It is restricted to training indigenous persons by and in the private sector. For the purpose of this Scheme the private sector refers to all firms and bodies which are subject to the income tax laws, local government councils and non-profit non-governmental organizations.

129. Vocational training has been classified into three parts:

(1) Apprenticeship: employers undertaking the training of apprentices are assisted during the initial and less productive period of apprenticeship when they bear certain costs not normally carried by other employers nor by employers overseas - for example, tools, recreation leave, travel and accommodation;

(2) Formal institutional training: it is desired to encourage private employers to sponsor students to Papua New Guinea formal training institutions. Each institution prescribes certain minimum costs of sponsorship such as fees, board allowance and books. Enrolments are now assisted to the extent of one third of the basic costs of sponsorship for the first year of attendance in all instances and for the second year of attendance where the course is three or more years;

(3) Other training: the assistance given in the formal categories has been laid down in specific terms, but a more flexible approach is allowed for this category. An Indigenous Training Advisory Committee, consisting of five persons (two from the Public Service and three from the private sector), has been set up. This Committee advises the Secretary for Labour on the areas, form and extent of assistance within this category.

130. The intention of the Scheme is to lighten the burden of training for the employer and remove the grounds of excuse put forward by the non-training employer. At present 43 companies from the private sector are involved in the Scheme.

131. The Practical Training Scheme is designed to enable Papuans and New Guineans who already have basic educational and vocational skills to upgrade the level of their skills and to advance more rapidly to positions of greater complexity and responsibility by undergoing a period of practical training in Australia. Selected persons go to Australia for short periods (up to 12 months) of mainly on-the-job training in their particular skill. Government departments, private firms and training institutions in Australia provide the practical on-the-job training in areas where suitable training facilities are not available in Papua New Guinea. Initially the Scheme applied only to the public sector but is now being extended to cover the private sector. When it is implemented, private industries may send suitable employees to Australia for further training and experience under the Scheme.

Public health

132. In Papua, expenditure on health services during the year ended 30 June 1970 amounted to \$A7,617,306, including \$A98,855 for hospital and medical equipment and \$A2,275,631 for capital expenditures on hospital buildings and facilities. Grants to missions for health services amounted to \$A240,700. Statistics for the Trust Territory are contained in the report of the Trusteeship Council to the General Assembly at its twenty-sixth session. aa/

Alcoholism

133. It was reported in July 1971 that the Administrator's Executive Council had ordered an inquiry into the Territory's drinking laws. A commission was to be established to make the inquiry following growing official concern about the widespread problem of excessive drinking and the increasing crime rate in urban centres. Special emphasis was to be placed on the effect that the consumption of liquor had on persons, especially indigenous persons, living in areas where liquor was freely available (drinking was legalized for indigenous inhabitants in 1962); the extent to which this consumption had changed the pattern of social behaviour, including the incidence of crime, with special reference to urban areas and recommendations on what amendments to the existing licensing laws and changes in administrative practices were considered necessary.

Housing

134. It was reported in July 1971 that the Administration have announced plans to attack the problem of sprawling squatter settlements around the major towns of the Territory. Land is to be provided within town boundaries at rentals as low as \$A5 a year. At first, the blocks of land would have only minimal services, including graded access tracks, limited water reticulation, deep pit latrines and street lighting. Residents would be allowed to live in temporary shelters for the first two years of their lease but would be expected to work on a permanent house which would have to comply with regulations of the Territory's Housing Commission. Once the settlers had built their homes they would be offered a long-term lease at a rent yet to be fixed. but reported unlikely to exceed \$A10 a year.

aa/ Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 4 (A/8404).

135. It has been reported earlier that about 250,000 indigenes in the four major towns of the Territory (Port Moresby, Lae, Madang and Rabaul) could not afford to pay rental for Housing Commission homes. Rents charged for these homes range from \$A1 to \$A6.50 a week. The rates are said to be based roughly on \$A1 a week for every \$A400 worth of capital value.

Educational conditions

136. In Papua the number of Administration schools increased from 184 to 193 during 1969/70, while the number of pupils enrolled increased from 33,562 to 34,374. The number of recognized mission schools in Papua decreased from 344 to 343 and enrolments increased from 38,148 to 38,321. The total number of children enrolled in primary schools in Papua during the year under review was 64,618. Of these 28,864 were attending Administration schools and 35,754 were at recognized mission schools. There were 3,661 enrolled in primary "A" or in dual stream schools (some students in dual curricula schools had previously been included in primary "T" totals) and 60,957 in primary "T" schools.

137. In Papua, 4,120 students were enrolled in Administration high schools and 2,171 in mission high schools, compared with 3,694 and 1,903, respectively, in the previous year.

138. In 1969/70, expenditure by the Administration on education in Papua was \$A7,375,000, compared with \$A5,958,000 for the preceding year.

139. Comparable statistics in the field of education for the Trust Territory of New Guinea were contained in the report of the Trusteeship Council to the General Assembly at its twenty-sixth session and in the report of the 1971 Visiting Mission, document T/1717. bb/

140. It was reported in August 1971 that the Territory Education Board had asked the Education Department to investigate the feasibility of introducing one curriculum for all schools in the Territory.

bb/ Ibid., and Official Records of the Trusteeship Council, Thirty-eighth Session, Supplement No. 2 (T/1728).

ANNEX II*

REPORT OF SUB-COMMITTEE II

Chairman: Mr. Mohammad Hakim ARYUBI (Afghanistan)

A. Consideration by the Sub-Committee

1. The Sub-Committee considered the Cocos (Keeling) Islands, Papua and the Trust Territory of New Guinea at its 144th to 148th meetings between 7 September and 15 October 1971 (see A/AC.109/SC.3/SR.144-148).
2. The Sub-Committee had before it the working paper prepared by the Secretariat (see annex to the present chapter) as well as a petition contained in document A/AC.109/PET.1183.
3. In accordance with established procedure, the representative of Australia, as the administering Power concerned, participated in the discussions of the Sub-Committee at the invitation of the Chairman.

B. Adoption of the report

4. Having considered the situation in the Territories, and having heard statements by the representatives of Australia as the administering Power concerned, the Sub-Committee adopted its conclusions and recommendations a/ on the Territories at its 148th meeting on 15 October 1971.
5. The Sub-Committee adopted the present report at the same meeting.

* Previously issued under the symbol A/AC.109/L.755.

a/ The conclusions and recommendations submitted by Sub-Committee II for consideration by the Special Committee were adopted by the latter body with the oral revisions referred to in paragraph 8 of the present chapter. These conclusions and recommendations, as revised, are reproduced in paragraph 11 of this chapter.

CHAPTER XX

BRUNEI

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, inter alia, to refer Brunei to Sub-Committee II for consideration and report.
2. The Special Committee considered the item at its 830th meeting, on 21 October.
3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 11 of that resolution, the General Assembly requested the Special Committee "to continue to seek suitable means for the immediate and full implementation of the Declaration in all Territories which have not yet attained independence and, in particular, to formulate specific proposals for the elimination of the remaining manifestations of colonialism, taking fully into account the relevant provisions of the programme of action for the full implementation of the Declaration". The Special Committee also took into account other resolutions of the General Assembly, particularly resolution 2709 (XXV) of 14 December 1970 concerning 25 Territories, including Brunei, by paragraph 8 of which the General Assembly requested the Special Committee "to continue to pay special attention to these Territories and to report to the General Assembly at the twenty-sixth session on the implementation of the present resolution".
4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on the latest developments concerning the Territory.
5. The Special Committee also had before it the report of Sub-Committee II entitled "Review of Work (1971)", 1/ paragraph 6 of which read as follows:

"6. ... the Sub-Committee decided that owing to lack of time it would be unable to consider Brunei this year."

B. DECISION OF THE SPECIAL COMMITTEE

6. At its 830th meeting, on 21 October, following a statement by the Chairman (A/AC.109/PV.830), the Special Committee, having noted the report of the Sub-Committee referred to above, decided to transmit to the General Assembly the working paper referred to in paragraph 4 above in order to facilitate consideration of the item by the Fourth Committee and, subject to any directives that the General Assembly might give in that connexion, to consider the Territory at its next session.

1/ A/8423 (Part I).

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.745.

INFORMATION ON THE TERRITORY^{a/}

1. GENERAL

1. Basic and more detailed information on Brunei has appeared in past reports of the Special Committee to the General Assembly. b/ Supplementary information is set out below.

2. Brunei is situated on the northern coast of the island of Borneo and comprises two enclaves in north-east Sarawak, East Malaysia, covering an area of about 2,226 square miles (5,765 square kilometres). Its capital is Bandar Seri Begawan, recently renamed after the former Sultan. The estimated population in Brunei in 1970 was 142,300, compared with 133,900 in 1969.

3. It was reported that a colour map of Bandar Seri Begawan and surrounding areas was delivered to the Government early in 1971, but that it has not been distributed as it shows the Sarawak border in the Limbang area which is claimed to be part of Brunei. Limbang was taken over by the Rajah of Sarawak in 1890, and although the take-over was sanctioned by the United Kingdom Government at the time, no treaty or agreement was signed by Brunei. The claim over the Territory was not made public until 1970, just before the Sultan and Brunei officials left for London for talks with the United Kingdom Government. The United Kingdom Government is understood to have told Brunei officials that it could take the Limbang claim no further.

2. POLITICAL AND CONSTITUTIONAL DEVELOPMENTS

Status

4. Brunei became a British-protected State following a treaty signed by the Sultan with the United Kingdom Government in 1888. Under another agreement, signed in 1959, the post of British Resident was replaced by that of High Commissioner. The United Kingdom Government continued to be responsible for Brunei's defence and external affairs, through its High Commissioner.

a/ This section is based on published reports and on information transmitted to the Secretary-General by the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter on 3 August 1970 and 13 July 1971 for the years ending 31 December 1969 and 31 December 1970, respectively.

b/ For the most recent see Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 23 (A/8023/Rev.1), chap. XV.

5. Following discussions held in London from 19 April to 5 May 1971, it was reported that a new agreement would be signed and published by the end of the year. The High Commissioner, who had in the past acted in an advisory capacity on all matters other than the Muslim religion and Malay custom would, under the new agreement, be responsible only for external affairs and external defence.

6. Under the latest agreement arrangements are provided for the continued retention in Brunei of a battalion of the British Brigade of Gurkhas. Internal security will be entrusted to the Royal Brunei Malay Regiment and the Royal Brunei Police Force. The Gurkha Battalion could be used in an internal security role after consultation between the Governments.

Constitution

7. The first written Constitution, providing for executive, legislative and district councils and the introduction of elections, was promulgated in 1959. On 6 January 1965, the Constitution was amended to provide for general elections to the Legislative Council; at the same time, the Executive Council was renamed the Council of Ministers. The main provisions of the Constitution are set out below.

Sultan

8. Supreme executive authority is vested in the Sultan. His assent is required for all bills passed by the Legislative Council. The Mentri Besar (Chief Minister) who is one of the ex officio members of the Legislative Council and the Council of Ministers is responsible to the Sultan for the exercise of all executive authority in the State.

Privy Council

9. The Privy Council, presided over by the Sultan, advises the Sultan in matters concerning the amendment of the Constitution and/or any other matters at the Sultan's request. It consists of the Chief Minister and five other ex officio members, the High Commissioner and any other persons the Sultan may appoint.

Council of Ministers

10. The Council of Ministers, which is presided over by the Sultan, comprises the High Commissioner, six ex officio members (including the Chief Minister), and four assistant ministers appointed from the unofficial members of the Legislative Council. The Constitution provides that, in the exercise of his powers and in the performance of his duties, the Sultan shall, with certain exceptions, consult with the Council of Ministers. He may act contrary to the advice given him by a majority of the members of the Council, but must record fully in the minutes of the Council the reason for his decision.

Legislative Council

11. The Legislative Council is presided over by a Speaker and consists of six ex officio, five nominated and ten elected members. The Speaker is appointed by the Sultan either from among the membership of the Council or from outside it. Subject

to the assent of the Sultan, the Council may make laws for the peace, order and good government of the State. It may not proceed upon any bill, motion or petition concerning certain matters, particularly financial matters, without the prior approval of the Sultan. If the Council fails to pass a bill which has been introduced or to carry a motion which has been proposed, the Sultan may declare such a bill or motion effective if he considers such action to be in the public interest. Elections to the Legislative Council are normally held every five years.

12. Elections were due in 1970. The Sultan decided, however, to appoint the entire twenty-one members to the Legislative Council. At the same time he extended for two more years the state of emergency in force since 1962. This decision reportedly caused no protest. According to reports, the general political apathy of the population has lasted since the Sultan's father, the Seri Begawan Sultan, effectively ended political activity after an attempted coup to oust him in 1962. Fifty-nine politicians allegedly remain in prison.

Political parties

13. There are two political parties in Brunei. The People's Independence Front (known as BAKER) was formed in August 1966 with the stated objectives of constitutional advance and independence. The People's National United Party (known as PERKARA) was formed in 1968 with the stated aim of strengthening the position of Brunei as a Sultanate.

Public service

14. As at 31 December 1970, there were 321 senior posts out of a total of 8,170 posts in the public service, compared with 308 and 7,645 the previous year. Senior posts are those in division I and II. Of these, 159 were held by expatriate officers in 1970, compared with 162 in the previous year. There were 603 expatriates in division III and below in 1970, compared with 672 in 1969. Daily paid workers and members of the Royal Brunei Malay Regiment are excluded from these totals.

15. Local officers continued to replace expatriate personnel in the lower posts of the public service. According to the administering Power, this process has not yet found practical application in regard to the higher posts, owing to the lack of qualified local officers. Training is available in the following departments: audit, fire services, survey, police and public health.

3. ECONOMIC CONDITIONS

General

16. Brunei's economy depends almost entirely on its rich oil resources, which account for over 95 per cent by value of all exports. Economic activities include rubber cultivation, subsistence agriculture, forestry and fishing.

Public finance

17. The oil agreement between the Government and the Brunei Shell Petroleum Company, signed at the end of 1963, provides for the taxation of the oil company on the basis of equal division of profits. Discussions between the Government and the company officials were held at Bandar Seri Begawan during the first week of April 1971. It was reported unofficially, that the negotiations concerned a new price for Brunei's oil following the Teheran agreement between the oil companies and the oil producing and exporting countries (OPEC) in the Middle East. The benefits of the Middle East agreement will, however, automatically flow to Brunei. At the end of 1970, the current level of oil production reportedly brought in 150,000 barrels of oil a day, giving the Government of Brunei about \$US 45 million a year in taxes and royalties, 90 per cent of it from Shell. This enabled Brunei to have an average per capita income about \$US 1,000 a year while leaving the population free of personal income tax.

18. Revenue and expenditure for the year 1970 were reported to be \$bR 186,774,869 ^{c/} and \$bR 127,297,006 respectively, compared with \$bR 222,641,118 and \$bR 118,461,323 in 1969. Development expenditure was \$bR 86,439,733 and \$bR 77,146,586 for the years 1969 and 1970.

Trade

19. The main export products of the Territory are crude oil, natural gas and plantation rubber. The main imports are machinery and transport equipment; food, beverages and tobacco; chemicals and drugs; and mineral fuels and lubricants. Total imports for 1970 amounted to \$bR 256,102,000 and total exports amounted to \$bR 282,165,000. Re-export of merchandise amounted to \$bR 10,198,000.

Land

20. A land capability survey, started in 1968 under the auspices of the Food and Agriculture Organization (FAO), was completed during 1969. In its 1970 report, the administering Power stated that the survey had aroused the interest of the private sector in industries based on agricultural and forestry products.

Industry

21. The oil industry is the only industry of substantial size, employing 2,622 workers. There are 26 sawmills which produced 28,563 tons of sawn timber in 1970, most of it for local use. About 23 establishments were engaged in wood processing and furniture making. Eight brick kilns produced 13 million pieces in 1970, compared with 20 million in 1969. Prices ranged between 10 and 12 cents per piece.

22. The three companies engaged in oil production are all foreign-owned: the Brunei Shell Petroleum Company (Anglo-Dutch) and Sunray-Clark and Ashland (United States). In 1970, Pennzoil, another United States firm, entered into partnership with

^{c/} The Brunei dollar, created in 1967, is exchangeable at the rate of £1 = \$bR 7.3469.

the Ashland Oil Company. Production of oil in 1970 was 50,232,997 barrels, compared with 45,639,000 barrels in 1969. Oil is piped from the producing area to a refinery at Miri in Sarawak. Natural gas, which is also produced from the Seria oilfield, is partly utilized in Brunei, where it is processed to supply domestic petroleum requirements, and the remainder is exported to Sarawak. Gas production in 1970 was 3,586,461 cubic metres, compared with 3,490,000 cubic metres in 1969.

23. Oil holdings were estimated to be about \$BR 233 million at the end of 1969, with more than \$BR 35 million earmarked for development. The Government was reported to be using at least \$BR 20 million of the development funds to build an airport capable of handling the largest jet airliners.

24. The most significant economic development during 1970, according to the administering Power, was the start of the liquefied natural gas project at Lumut, a joint venture of Brunei Shell and a Japanese concern, with the Government owning 10 per cent. (According to a press report, 45 per cent was owned by Brunei Shell and 45 per cent by Mitsubishi.) The project was expected to start production in 1972, producing liquefied natural gas for export to Japan. (The press reported that over a period of 20 years \$US 1,600 million worth of gas would be exported.) The project is expected to bring economic benefit for Brunei in terms of employment and an increase in national income and export.

Transport and communications

25. Rivers are the principal means of communication with the interior. A light railway running eight miles from Seria to Badas is maintained by the Brunei Shell Petroleum Company. There are 620 miles of road, of which 234 miles have been surfaced with bitumen. The first phase of the State Road Development Programme, consisting of a network of 40 miles of roads in Temburong, neared completion in 1970.

26. The main ports are at Bandar Seri Begawan and Kuala Belait. A new deep-water port and industrial area is being constructed at Muara at a cost of \$BR 32 million. Brunei Shell has agreed to move its depot in Jalan Residency to a site near its bitumen depot at Muara. The present depot is too small and fire would endanger neighbouring houses. The depot handles all the Territory's imports of petroleum products.

27. The most significant change in air transportation during 1970 was the introduction of a number of new schedules by Malaysia Singapore Airlines for routes between Brunei, East Malaysia and Singapore. These schedules include twice weekly direct freighter services between Brunei and Singapore. Work on the new airport continued to progress throughout the year. Construction is reported to be about one year behind schedule, and the airport was not expected to be operational until mid-1971. Costains, the main contractors, have been given an additional eight months to complete the work. The delays could increase the cost of the airport to \$BR 50 million.

28. A large underground distribution centre for telephone communications was completed in Bandar Seri Begawan and telephone installations were increased by 1,115 units.

4. SOCIAL CONDITIONS

Labour

29. The Government's employment policy aims at giving priority to nationals and at providing work for all who need it. Although there are not enough skilled local workers to meet the present demand, the Brunei Government and business circles are reportedly fearful that unemployment could become a problem within the next few years, because there is no sign of any new industry being started in the country to employ the coming labour force. Brunei has engaged the services of an industrial expert to study the feasibility of setting up new industries. The major obstacle to industrial development is that Brunei has a small local market and is far removed from the main overseas markets. In addition, wages are high compared with those in neighbouring countries.

30. The average rate of pay for government workers ranged from \$BR 6.00 to \$BR 11.00 per day in 1969. Casual labour in the private sector received on the average between \$BR 6.00 to \$BR 8.00 per diem with free accommodation and medical attention. The monthly rate of pay in the Brunei Shell Petroleum Company for unskilled workers was from \$BR 145 to \$BR 180 increasing by \$BR 5 increments per month, and for skilled artisans, from \$BR 396.00 to \$BR 522.00 increasing by \$BR 13.00 increments per month.

31. Most of the population is self-employed in agriculture, fishing or the harvesting of jungle produce. The labour force in 1970 totalled 18,864 compared with 18,106 in 1969. In that year the administering Power reported that 8,557 persons were local workers and the rest were immigrants.

Public health

32. The Malaria Eradication Project, previously a separate development entity, was integrated with the Medical and Health Department on 1 January 1970 as an established Malaria Control Project.

33. Medical care is available at three government hospitals (357 beds), at the Brunei Shell Petroleum Company's hospital (85 beds) and at three dispensaries. In addition, the construction of a new 185-bed hospital at Kuala Belait approached completion and construction began on a new district hospital at Tutong.

34. The Territory has reportedly had a shortage of dentists recently and members of the public are finding that they have to wait for treatment. Government hospitals help to provide free dental treatment, but at the general hospital the demand was so great that patients were obliged to wait up to two weeks for an appointment, even when treatment was urgently needed.

35. In 1970, the Territory had a total of 32 registered physicians, five registered dentists, 34 medical assistants and 127 nurses.

36. Expenditure on public health in 1970 amounted to \$BR 12,632,578 compared with \$BR 13,416,120 in 1969, representing approximately 10.5 per cent and 9.7 per cent respectively of the Territory's total expenditure.

5. EDUCATIONAL CONDITIONS

37. The rate of literacy is now estimated to be about 70 per cent of the population aged 10 and over. Approximately 95 per cent of children 6 to 14 years of age attend school.

38. In 1970, there were 1,214 pupils in kindergartens, compared with 1,215 in 1969; 102 government medium primary Malay schools with an enrolment of 15,719, compared with 100 in 1969 and an enrolment of 16,079; and three medium preparatory English schools with an enrolment of 4,928, compared with four schools in 1969 with an enrolment of 4,220. There was no change in the mission schools or in the Chinese primary schools. There were also nine government and 11 private secondary schools with an enrolment of 7,765, compared with 6,793 in 1969. In addition, there are 396 students enrolled in the State religious school. There is no university or other institution of higher education in Brunei. In 1970, the general school population increased by 3,250 to 38,109.

39. The two residential government trade schools (a building trades school in Bandar Seri Begawan and an engineering trades school in Kuala Belait) were opened as day schools on 7 September 1970. Complete boarding facilities for the students were expected to be completed sometime in 1971. A third residential school in Tutong, which was designed for four-year technical and commercial courses, was opened in January 1970.

40. There is a government teacher-training college which had 434 students in 1970, compared with 494 in 1969. Scholarships are awarded for secondary and higher education and training outside the Territory. In 1970, 474 Brunei students (including 312 with government scholarships and 21 with scholarships from other sources) were studying abroad, compared with 382 in 1969, the majority in Malaysia, Singapore and the United Kingdom.

41. Final figures of government recurrent expenditure on education for 1970 are not yet available; however, total government expenditure on education was \$BR 17,523,434 in 1969, compared with \$BR 15,871,958 in 1968. Capital expenditure in 1969 was \$BR 19,274,551, compared with \$BR 19,319,921.

CHAPTER XXI

HONG KONG

A. CONSIDERATION BY THE SPECIAL COMMITTEE

1. At its 784th meeting, on 25 March 1971, the Special Committee, by approving the fifty-eighth report of the Working Group (A/AC.109/L.687), decided, inter alia, to take up Hong Kong as a separate item and to consider it during its plenary meetings.
2. The Special Committee considered the item at its 828th meeting, on 6 October.
3. In its consideration of the item, the Special Committee took into account the relevant provisions of General Assembly resolution 2708 (XXV) of 14 December 1970 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. By paragraph 11 of that resolution, the General Assembly requested the Special Committee "to continue to seek suitable means for the immediate and full implementation of the Declaration in all Territories which have not yet attained independence and, in particular, to formulate specific proposals for the elimination of the remaining manifestations of colonialism, taking fully into account the relevant provisions of the programme of action for the full implementation of the Declaration".
4. During its consideration of the item, the Special Committee had before it a working paper prepared by the Secretariat (see annex to the present chapter) containing information on the latest developments concerning the Territory.

B. DECISION OF THE SPECIAL COMMITTEE

5. At its 828th meeting, on 6 October, following a statement by the Chairman (A/AC.109/PV.828), the Special Committee decided, without objection, to transmit to the General Assembly the working paper referred to in paragraph 4 above in order to facilitate consideration of this item by the Fourth Committee and, subject to any directives which the General Assembly might give in that connexion, to consider the Territory at its next session.

ANNEX*

WORKING PAPER PREPARED BY THE SECRETARIAT

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* Previously issued under the symbol A/AC.109/L.751.

1. General

1. The total estimated population of the Territory of Hong Kong at the end of 1970 was 4,127,800, compared with 4,039,700 in 1969.

2. It is reported that the Government has decided to introduce the metric system into the Territory, in an attempt to adjust its system of weights and measures to those of a growing number of countries. Dependent on exports for its survival, Hong Kong envisages the change from the imperial to the metric system as an aid to trade, but the shift is to be gradual because of the many problems resulting from the continued use of traditional Chinese weights and measures (piculs and catties) in conjunction with the imperial system. The metric system will first be introduced in such fields as education and public works.

2. Political and constitutional developments

Status

3. Under the Treaty of Nanking of 1842, the island of Hong Kong was ceded to the British Crown, and in June 1843 it was declared a British colony. Subsequently, the Convention of Peking in 1860 extended the boundaries of the colony to include the Kowloon Peninsula, and the Convention of Peking in 1898 further extended its boundaries by a 99-year lease to include areas which are known as the New Territories.

Constitution

4. The formal documents which contain the principal features of the Constitution are the Letters Patent which provide for the Office of the Governor, the Executive Council and the Legislative Council, and the Royal Instructions, which deal with other related matters.

Judiciary

5. The courts in Hong Kong are the Full Court, the Supreme Court, the District Court, the magistrates courts, the coroners courts and the Tenancy Tribunal. In 1970, the judiciary had posts for the Chief Justice, the Senior Puisne Judge, six

^{a/} Information presented in this section has been derived from published reports and from information transmitted to the Secretary-General by the United Kingdom of Great Britain and Northern Ireland under Article 73 e of the Charter on 23 June 1971 for the year ending 31 December 1970.

puisse judges, eight district judges, thirty-six magistrates, two coroners and a president of the Tenancy Tribunal. Appeals may be brought from the Full Court to the Judicial Committee of the Privy Council in London.

6. On 1 January 1970, the Director of Legal Aid took over the administration of legal aid in criminal cases. This aid is available for accused persons of limited means in all cases tried in the Supreme Court, and in all appeals heard in the Supreme Court and the Full Court. The Legal Aid Department was established as a separate department, independent of the judiciary on 1 July 1970.

Local government

7. The two government departments most closely concerned with the reactions of the people to government policies and plans are the Secretariat for Home Affairs, which controls the city district officers in the urban areas, and the New Territories Administration under which come the district officers stationed in the New Territories. Hong Kong Island has four districts, Kowloon has six and the New Territories have five.

8. The City District Office was introduced in 1968. The 10 city district officers are charged with the threefold duty of providing services on behalf of the Government, as well as services for the community and for the individual.

9. In the New Territories, the District Commissioner and his five district officers are also responsible for co-ordinating the administrative system and exercise political responsibilities. In addition, they perform certain executive functions, principally in relation to land administration. The arrangements for consultation with the population are more formalized to the extent that there is a system of village representation. More than 900 village representatives are chosen from over 600 villages.

Public service

10. At 1 April 1970, the total number of posts in the public service was 79,924. The strength on 1 January 1970 was 77,975 officers, of whom 76,116 were local and 1,859 were overseas officers. There is a large proportion of labouring staff: nearly 34,770 of the total establishment are labourers, semi-labourers or artisans. The Medical and Health Department (10,150 posts), the Public Works Department (9,966 posts), the Urban Services Department (13,534 posts) and the Police Force (14,264 posts) account for a total of 47,914 posts, or about 60 per cent of the public service.

11. Recruitment and promotion to the public service are, with certain exceptions, subject to the advice and over-all scrutiny of the Public Service Commission, a body independent of the Government, set up in 1950.

3. Economic conditions

12. In the economic field, the value of domestic exports continued to rise, but the over-all percentage growth rate declined from its high levels of 25.8 per cent and 24.8 per cent in 1968 and 1969, respectively, to 17 per cent in 1970.

Hong Kong is particularly susceptible to changes in world trade and to economic conditions in its main markets. The Territory viewed with some concern the increasingly protectionist attitude of the United States of America, its largest export market. This attitude was reflected in the so-called Mills Bill, introduced in the United States Congress in 1970, which would have provided for certain mandatory restrictions on imports, particularly of textiles and footwear, into that country. The Bill failed to come up for debate during the 1970 session of the Congress.

13. Some uncertainty has also been caused by the application of the United Kingdom to join the European Economic Community (EEC) and the effect that this would have on the Territory's trade.

14. Hong Kong is also uncertain of its position in the various schemes for generalized preferences for developing countries which are being prepared by developed countries in pursuance of resolutions of the United Nations Conference on Trade and Development (UNCTAD).

15. The textile and clothing industry continued to dominate the manufacturing sector of the economy, accounting for 45 per cent of domestic exports in terms of value and employing 40 per cent of the manufacturing labour force. The manufacture of garments remains the largest sector within the industry, employing 95,980 workers in 1,802 factories. The value of clothing exports rose by 13 per cent to \$HK 4,337 million b/ in 1970.

16. In the ever-widening range of light industry, plastics remained second in prominence to textiles. Among the plastic products manufactured are toys, dolls, flowers and household articles. The output of this industry was valued at \$HK 1,396 million in 1970, an increase of 15 per cent over that achieved in the previous year. The manufacture or assembly of transistor radios, begun in 1959, increased to a total of 22 million sets worth \$HK 549 million in 1970. These were sent mainly to the United States and the Federal Republic of Germany.

17. Manufacture of wigs and hair pieces has increased substantially in recent years, the principal market being the United States. The value of exports in 1970 reached \$HK 937 million. During the year, synthetic fibres were used extensively and accounted for over 80 per cent of all wig exports.

18. The value of domestic exports reached \$HK 12,247 million in 1970, an increase of 17 per cent over the previous year. Products of the textile and garment manufacturing industries accounted for 45 per cent by value, and miscellaneous manufactured articles, mainly plastic toys and dolls, wigs and artificial flowers, made up a further 25 per cent.

19. Fifty-four per cent of all domestic exports by value went to the United States, and the United Kingdom. The United States, which remained the largest market in 1970, took 42 per cent by value of the exports and increased its purchases by \$HK 762 million, or 17 per cent. The total share in the Territory's domestic exports was valued at \$HK 5,190 million. The value of all goods sent to the United Kingdom was \$HK 1,481 million, or 12 per cent of all domestic exports. The Federal Republic of Germany, Hong Kong's third largest market, purchased goods valued at \$HK 985 million during the year.

b/ One Hong Kong dollar equals more than \$US 0.16.

20. The entrepôt trade has sustained its role in external trade. The value of re-exports in 1970 totalled \$HK 2,892 million, an increase of 8 per cent over 1969. This was 19 per cent of the total combined value of Hong Kong manufacturers and re-exports of imported goods. During 1970, Japan remained the most important re-export market, followed by Singapore, The United States, Indonesia, the Republic of China and Belgium. The principal commodities in the re-export trade were diamonds, textile fabrics, medicinal and pharmaceutical products, coffee, tea and spices, crude animal and vegetable materials and watches. Re-exports of goods originating from mainland China amounted to 24 per cent of all re-exports.

21. In 1970, imports were valued at \$HK 17,607 million, compared with \$HK 14,893 million in 1969. Food was the principal item, valued at \$HK 3,051 million, and represented 17 per cent of all imports. Other imports were raw materials and semi-manufactured goods for industry; capital goods such as machinery and transport equipment; and mineral fuels. Japan continued to be the principal supplier, providing 24 per cent of all imports. Textile yarn and fabrics comprised 34 per cent of all Japanese imports. Imports from the People's Republic of China, the second largest supplier, accounted for 16 per cent of imports from all sources, and 46 per cent of all food imports. Imports from the United States registered an increase of \$HK 314 million, or 16 per cent. The principal imports from this source were machinery, diamonds, textile yarn and fabrics, fruit, medicinal and pharmaceutical products, tobacco and tobacco manufactures, photographic and cinematographic supplies and plastic materials.

22. Of the Territory's 398.5 square miles, only 13 per cent is used for farming. The principal crops grown are vegetables, rice, flowers, fruit and some other field crops. The value of crop production increased from \$HK 75.8 million in 1964/65 to \$HK 162 million in 1969/70. Vegetable production accounts for over 74 per cent of the total value of crops. Rice, the staple food of the southern Chinese, can be grown in two crops where irrigation water is adequate. Since 1954 the acreage of rice land has dropped from 23,353 acres to 13,850 acres in 1970.

23. Tourists who visited Hong Kong numbered 927,256 in 1970, compared with 765,213 the previous year. It is estimated that they spent about \$HK 1,759 million on hotel accommodation, shopping, entertainment, sightseeing and related expenditures.

24. Hong Kong is financially self-supporting, apart from the cost of its external defence, to which the territorial Government makes a substantial contribution. The contribution to recurrent defence expenditure is £3,925,000 a year, with a sum of £2,400,000 for a services' capital works programme.

25. The Territory's revenue for 1969/70 totalled \$HK 2,481 million, compared with \$HK 2,081 million in 1968/69. Expenditure totalled \$HK 2,032 million in 1969/70 compared with \$HK 1,873 million in 1968/70. The annual public works programme was estimated to cost some \$HK 333.5 million or \$HK 44.5 million more than in the previous year. It contained more than 400 different projects.

26. A start was made during the year on the cross harbour tunnel which will provide a road link between Hong Kong Island and Kowloon. It is estimated that it will cost about \$HK 300 million and that it will be completed in September 1972.

27. Also during the year, "containerization" was introduced to Hong Kong. It became clear that if the Territory was to maintain its position as a major international port it had to follow the growing trend towards this method of cargo handling. A site for three container berths at Kwai Chang, north-west of Kowloon, was sold by tender, and two wharfage companies modified part of their premises for use as container berths.

28. Owing to the mountainous nature of most of Hong Kong, some 80 per cent of the population and most economic activities are concentrated into 29 of the Territory's 398 square miles. The vast increase in population has greatly stimulated the demand for efficient public transport systems. It is reported that a number of British construction companies have agreed in principle to form a consortium with rolling stock and mechanical and electrical contractors to bid for the proposed £300 million Hong Kong underground railway system. Two of them are Costain Civil Engineering and Mitchell Construction Kinnear-Moodie. The value of construction work in the project is estimated to be about one-third of the total cost. The Kennedy Company also has been reported to be engaged with Freeman Fox in planning a rapid transit system for the Hong Kong conurbation, which consists of an area on the northern shores of the island and another on the mainland separated by Victoria Harbour.

4. Social conditions

Labour

29. The most recent analysis of the Territory's work force showed that about 47 per cent of the working population was engaged in construction, manufacturing, mining, quarrying and the utilities; about 24 per cent in various services; 17 per cent in commerce; 7 per cent in communications and 5 per cent in agriculture, forestry and fishing. Based on this pattern, the estimated employment figures at the end of 1970 were: manufacturing 613,620; services 375,440; commerce 259,690; construction 96,000; agriculture, forestry and fishing 81,300; communications 106,600, public utilities 15,210; mining and quarrying 4,670. There were also some 5,970 persons engaged in other work, making an estimated total of 1,558,500 employed.

30. In 1970, the Labour Department had on record 17,239 factories and, according to voluntary returns made to the Department, these employed a total of 589,505 workers, an increase of 27,942 over 1969. Persons engaged in weaving, spinning, knitting and the manufacture of garments and made-up textile goods totalled 238,440 and remained the largest section of this labour force.

31. Most semi-skilled and unskilled workers in the manufacturing industry continue to be paid by piece rates, although daily rates of pay are common. Daily wages for the manufacturing industry at the end of 1970 ranged from \$HK 11 to \$HK 37 for skilled workers; \$HK 7 to \$HK 26 for semi-skilled; and \$HK 6.20 to \$HK 16.30 for unskilled workers.

32. The Factories and Industrial Undertakings Ordinance is the basis for the control of hours and conditions of work in industry. On 1 December 1967, amending legislation came into force which introduced a phased programme to reduce the maximum standard work period for women and young persons to eight hours

a day and forty-eight hours a week. The first, second and third stages of this programme were implemented without serious difficulties. The fourth phase, which came into force on 1 December 1970, reduced the maximum standard working hours to eight hours and twenty minutes a day and fifty hours a week. The programme is expected to be completed by December 1971.

33. The 327 unions on the register at the end of 1970 consisted of 265 workers' unions with a total declared membership of 176,598; 50 organizations of merchants or employers with a declared membership of 5,282; and 12 mixed organizations with a total declared membership of 6,583.

34. It is reported that \$HK 4,634,000 has been approved in the 1971/72 budget for expenses in connexion with labour inspection. There is one inspector employed for each 4,000 industrial employees.

Public health

35. The 16,471 hospital beds available in Hong Kong in 1970 (15,835 in 1969) represented 4.03 beds per thousand of the population. This figure includes maternity and nursing homes, but not institutions maintained by the armed forces. Of these beds, 14,321 were in government hospitals and institutions and in government-assisted hospitals, while the remaining 2,150 were provided by private agencies. Apart from beds assigned to the mentally ill and for the treatment of tuberculosis and infectious diseases, there were 13,103 beds available for general purposes, including maternity, giving a ratio of 3.20 beds per thousand of the population.

36. In 1970, there were 1,996 registered medical practitioners (including 493 government medical officers); 180 provisionally registered medical practitioners; 610 government medical officers; 417 registered dentists (excluding government dentists); 69 government dentists; 156 registered pharmacists (excluding government pharmacists); 18 government pharmacists; 3,166 registered nurses (excluding government nurses), and 1,637 government nurses.

37. Registered live births numbered 77,465 in 1970, compared with 79,329 in 1969. The infant mortality-rate, per thousand live births, was 19.6, compared with 21.8 in 1969.

38. Expenditure by the Medical and Health Department for the financial year 1970/71 was \$HK 170,534,400. To this should be added an estimated \$HK 64,023,600, of subventions for non-government medical institutions and organizations. The estimated capital expenditure for the Department during 1970/71 was \$HK 17,872,000.

39. It is reported that the charge for a doctor's consultation in a Hong Kong government clinic is \$HK 1; yet, this all-inclusive figure, covering medicine, laboratory tests and X-ray examinations, is lower than the charge levied for prescriptions alone under a State-operated scheme, where regular contributions have already been deducted from the patient's wages. Specialist clinics in the Territory also charge \$HK 1 except in cases of infectious disease such as tuberculosis, leprosy and venereal disease, which are treated free. All accidental casualties are treated without charge in government hospitals. Patients in general wards are charged \$HK 2 a day, unless the patient has difficulty in meeting the cost.

40. It is reported that narcotics smuggling, always a lucrative trade in Hong Kong, has risen sharply since the beginning of 1971. Experts suspect that the Territory is becoming an increasingly vital link in the international drug-supply network. Police narcotics seizures in the first three months of 1971 showed disproportionate increases compared with figures for 1970. Heroin seizures during the period amounted to 40.4 pounds, or 38.4 pounds (1,920 per cent) more than all seizures in the corresponding period. These figures represent only police seizures. Narcotics hauls are also made by preventive-service officers but these statistics are not available.

Social welfare

41. Since 1963, assistance from the United Nations Children's Fund (UNICEF) has been applied to support programmes of the Social Welfare Department. c/ To date, 9 day crèches, 65 day nurseries, 16 play centres and 8 community centres have received direct UNICEF assistance. In 1970, the Lady Trench Training Centre became a functioning institution for preparing staff of many departments for their work with children and youth. A United Nations adviser on a two-year assignment joined the staff of the Centre in September 1970, and all seven of the assistant welfare workers, initially paid by UNICEF, are now employed by the Centre. A professor from the University of Glasgow has been on a four-month assignment in Hong Kong, conducting a survey of the condition of children and youth there. Her study is to be completed in March 1972 and it is expected to help the Government and UNICEF to determine priorities for any further UNICEF aid.

5. Educational conditions

42. At September 1970, there were 137 government schools, 22 grant schools, 689 subsidized schools, 1,925 private schools and 31 special schools. A further 37,443 primary school places and 12,181 secondary school places were provided during 1970.

43. Total primary enrolment at 30 September 1970 was 765,397, compared with 752,171 in 1969. Secondary school enrolment rose from 264,056 in 1969 to 279,318 in 1970. The number of pupils enrolled at all schools, colleges and special education centres totalled 1,204,540, compared with 1,196,301 in 1969. Students following courses overseas included 4,673 in the United Kingdom; 2,871 in the United States; 1,600 in Canada; and 128 in Australia.

44. In March 1970, there were 33,656 full-time and part-time teachers employed in government and registered day schools, of whom 7,926 were university graduates and 15,121 were non-graduates qualified to teach. Another 197 teachers were in special schools.

45. In October 1970, the new buildings of the Morrison Hill Technical Institute were opened by the Governor. The Institute has an enrolment of 555 students on full-time day courses, 712 students on block-release and day-release courses, and 8,581 students on evening and miscellaneous short courses.

c/ See document E/ICEF/608/Add.5 (Part II).

46. The two universities continued to make progress with their development plans. A total of \$HK 93 million was voted from public funds towards their capital and recurrent expenditure during 1970/71. The number of full-time students increased to 2,990 at the University of Hong Kong, and to 2,342 at the Chinese University of Hong Kong.

47. The Education Department is reportedly starting a "pay the balance" scheme to reduce thousands of students' school fees in private secondary schools. In a drive to promote Hong Kong's much needed secondary education, the Department is also giving cash aids and classroom allowances to private school teachers. Under the "pay the balance" scheme 1,800 private secondary students each year pay the same low school fees as those in government schools. The Department pays the difference between the school fees of private and government schools up to \$HK 280 a year. About 6,900 students in eighty-three private schools are now getting free or aided secondary education. The scheme benefits those primary school leavers who do well in the Education Department's yearly Secondary Schools Entrance Examination.

48. The Education Department also subsidizes teachers' pay in non-profit making private schools up to \$HK 400 a month each. To these schools, it also gives a monthly allowance of \$HK 100 for each approved classroom. In addition, non-profit-making private schools can get free land and interest-free loans for up to 80 per cent of the building cost. They can pay back the loans in either eleven or twenty-one years. They can also claim back rates. At present forty-one non-profit-making private schools come under the aid scheme.

49. Expenditure on education for the year ending 31 July 1970 totalled \$HK 428,060,332, compared with \$HK 366,689,972 for the previous year.

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