

This page was added on 03 December 2012 to included the Disclaimer below.
No other amendments were made to this Product

DISCLAIMER

Users are warned that this historic issue of this publication series may contain language or views which, reflecting the authors' attitudes or that of the period in which the item was written, may be considered to be inappropriate or offensive today.

CHAPTER XXVII.

THE TERRITORIES OF THE COMMONWEALTH.

GENERAL.

The Territories under the control of the Commonwealth are:—The Northern Territory; the Federal Capital Territory; Papua (formerly British New Guinea); Norfolk Island; the Territory of New Guinea (by Mandate of the League of Nations); Nauru (under joint Mandate of the Commonwealth, Great Britain and New Zealand); the Territory of Ashmore and Cartier Islands; and the Australian Antarctic Territory.

The results of the census of the Territories at the 30th June, 1933, may be found in the separate bulletins (see list at back of this volume).

THE NORTHERN TERRITORY.

§ 1. Area and Population.

1. *Introductory.*—Upon the extension of New South Wales westward to the 129th meridian in 1827, the Northern Territory was incorporated in that colony, but in 1863 was annexed by Royal Letters Patent to the province of South Australia. With the adjacent islands it was transferred to the Commonwealth on 1st January, 1911. The total area is 523,620 square miles, or 335,116,800 acres.

2. *Population.*—(i) *Europeans.* At the census taken in 1881 there were only 670 Europeans in the Territory. The number increased slowly, reaching its maximum in 1918 with 3,767 persons. At the census of 1933 the white population had decreased to 3,306. This number, however, was 34.5 per cent. greater than the figure at the census of 1921.

(ii) *Non-Europeans.* The number of full-blood non-Europeans, excluding Australian aboriginals, in the Northern Territory on the 30th June, 1933, was 744, of whom 462 were Chinese, the remainder being, mainly, Filipinos (69), Japanese (91), and Malays (59). There were at one time over 4,000 Chinese in the Territory.

The half-caste population recorded at the census of 1933 numbered 800 of whom 743 were half-caste Australian aboriginals.

(iii) *Total Population.* The highest recorded population of all races, except aboriginals, was 7,533 in 1888. The estimated population at 31st December for the last five years is given in the following table:—

NORTHERN TERRITORY.—POPULATION (EXCLUSIVE OF ABORIGINALS).

| Year. | Males. | Females. | Total. |
|------------|--------|----------|--------|
| 1930 | 3,599 | 1,365 | 4,964 |
| 1931 | 3,462 | 1,384 | 4,846 |
| 1932 | 3,353 | 1,433 | 4,786 |
| 1933 | 3,370 | 1,448 | 4,818 |
| 1934 | 3,440 | 1,504 | 4,944 |

The Census population (30th June, 1933) was 3,378 males, 1,472 females, total 4,850.

(iv) *Movement of Population.* The following is a summary of movement of population in 1934 (excluding overland migration):—

NORTHERN TERRITORY.—MOVEMENT OF POPULATION, 1934.

| | | | | | |
|-------------------|-----|------------------|-----|--|-----|
| Immigration | 680 | Emigration | 582 | Excess of immigration over emigration .. | 98 |
| Births | 88 | Deaths | 60 | Excess of births over deaths .. | 28 |
| Increase | 768 | Decrease | 642 | Net Increase .. | 126 |

The immigration and emigration figures for the Territory during the five years ending 1934 are shown in the following table:—

NORTHERN TERRITORY.—IMMIGRATION AND EMIGRATION.

| Year. | Immigration. | Emigration. |
|------------|--------------|-------------|
| 1930 | 807 | 617 |
| 1931 | 573 | 693 |
| 1932 | 479 | 545 |
| 1933 | 516 | 497 |
| 1934 | 680 | 582 |

(v) *The Aborigines.* A special article contributed by Dr. W. Ramsay-Smith on the subject of the Australian aborigines was incorporated in Year Book No. 3 (pp. 158-176). The Chapter "Population," in Year Book No. 17, contained information regarding the number and distribution of aborigines and the measures taken by the States (in the case of the Northern Territory, by the Commonwealth) to protect them and to conserve their interests. Large numbers of the aborigines in the Territory are still outside the influence of Europeans. The total number of full-blood and half-caste aborigines at 30th June, 1934, was estimated at 18,008, of whom 2,711 were in regular employment. There are fifteen aboriginal reserves, comprising an area of 67,124 square miles. (See also Chapter on Population hereinbefore.)

§ 2. Legislation and Administration.

On 1st January, 1911, the Territory was transferred by South Australia to the Commonwealth. The terms were outlined in Year Book No. 15, p. 940. By the *Northern Australia Act 1926*, the Territory was divided into two parts, Central Australia and North Australia, separated by the 20th parallel of south latitude, each administered by a Government Resident. In addition, Advisory Councils and a Development Commission were provided for. The Act of 1926 was superseded by the *Northern Territory (Administration) Act 1910-1933*. By this Act the provision made for Advisory Councils was cancelled, and the Development Commission abolished. The administration of the Territory was placed in the hands of an Administrator, residing in Darwin, assisted by a Deputy Administrator, residing in Stuart (Alice Springs). The Territory elects a member to the House of Representatives, who may take part in the debates, but may not vote.

§ 3. Physiography.

1. *Tropical Nature of the Country.*—The Territory is within the torrid zone, with the exception of a strip 2½ degrees wide which lies south of the Tropic of Capricorn.

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

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

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

§ 4. Climate, Fauna and Flora.

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

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

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

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

§ 5. Production.

1. **Holdings.**—There were on the 30th June, 1934, 841 holdings in the Northern Territory, covering an area of 221,155 square miles. Of these, 447 were held on pastoral lease or permit, 98 on agricultural lease, the remainder being held on leases for various other purposes.

2. **Agriculture.**—Up to the present agriculture has made little progress in the Territory, although it has been proved that rice, tobacco, coconuts, mangoes, bananas, cotton, various fodder plants, and peanuts can be successfully grown. Expense of harvesting is, at present, an obstacle to the economic production of rice, and until labour-saving machinery is procured it cannot be produced with profit. There is a large stretch of first-class coconut land on the coast, but hitherto planting has not been attempted on a commercial scale. For the encouragement of primary production a Primary Producers' Board was established in 1931. Peanuts have become the principal crop. The yield for the season 1932–33 was 9,908 bags, or 250 tons, which realized from 4½d. to 6½d. per lb. in southern markets. The total value of the crop was more than £10,000, and the area planted was approximately 1,200 acres. For the 1933–34 season the yield was estimated at 400 tons from 1,162 acres.

3. *Pastoral Industry.*—The pastoral possibilities of certain parts of the Northern Territory were recognized at an early date, and in 1866 stock was brought into the Macdonnell Range country from South Australia. Six years later cattle were moved from Queensland to the northern parts of the Territory, and in 1879 Mr. Giles reached the Katherine River with 2,000 head of cattle and 12,000 sheep from South Australia. For various reasons sheep-raising did not succeed. The cattle industry progressed and became the mainstay of the Territory, a great impetus being given to it in 1917 by the opening of extensive meat works at Darwin. Unfortunately the works closed down in 1920, and are still idle. The number of cattle exported by land from the Northern Territory during the year 1933-34 was about 75,000, and the number imported about 4,100. The cattle industry has been retarded by the ravages of ticks and by the difficulty of travelling stock through waterless country. These difficulties are, however, gradually being overcome, the former by "dipping," and the latter by adding to the number of wells on the various stock-routes and the creation of stock reserves. Buffaloes thrive in the coastal districts, but their number has been greatly reduced by indiscriminate shooting to obtain the hides.

The estimated number of live stock in the Territory in the last five years is given in the table hereunder:—

NORTHERN TERRITORY.—LIVE STOCK.

| Year. | Horses. | Cattle. | Sheep. | Pigs. | Goats. | Camels. | Donkeys. | Mules. |
|---------|---------|---------|--------|-------|--------|---------|----------|--------|
| 1929 .. | 33,703 | 711,607 | 12,203 | 359 | 9,247 | 707 | 779 | 492 |
| 1930 .. | 33,363 | 720,476 | 15,838 | 327 | 16,757 | 562 | 831 | 523 |
| 1931 .. | 33,442 | 749,745 | 18,867 | 665 | 19,011 | 501 | 909 | 668 |
| 1932 .. | 33,072 | 780,121 | 18,250 | 449 | 20,622 | 438 | 776 | 479 |
| 1933 .. | 33,590 | 859,867 | 18,076 | 397 | 17,356 | 344 | 992 | 438 |

4. *Mining.*—(i) *General.* Alluvial gold-digging in the Northern Territory commenced in 1869, and up to the end of 1880 gold to the value of £79,022 had been produced. In 1881 the gold production reached its maximum, the value for that year being £111,945. During the following years it fluctuated considerably, but as long as the alluvial deposits lasted the output was satisfactory. In the transition period from alluvial to reef mining the industry declined considerably. The production of metals other than gold has suffered on account of the vagaries of prices, and the high cost of transport and of white labour. Owing to the exceptionally high price of gold the search for the precious metal has been stimulated in recent years. One or two new finds have been discovered, and the production has increased during each of the last four years. Rising prices were also responsible for the material improvement in the output of tin during 1933-34.

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

NORTHERN TERRITORY.—MINERAL PRODUCTION.

| Year. | Gold. | Tin Ore. | Silver-lead Ore. | Copper Ore. | Mica. | Wolfram. | Tantalite. | Total Value all Minerals. |
|------------|-------|----------|------------------|-------------|--------|----------|------------|---------------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| 1929-30 .. | 57 | 3,345 | 1,684 | 589 | 6,099 | 3,867 | 1,013 | 16,656 |
| 1930-31 .. | 2,535 | 2,331 | 160 | 25 | 5,531 | 384 | 450 | 11,416 |
| 1931-32 .. | 4,196 | 2,322 | .. | 137 | 5,547 | 1,369 | 240 | 13,811 |
| 1932-33 .. | 4,449 | 2,519 | 410 | .. | 10,772 | .. | .. | 18,150 |
| 1933-34 .. | 8,124 | 9,566 | 11 | .. | 7,926 | 3,114 | 65 | 28,806 |

(a) Including Bismuth, £2.

In 1934 the Governments of the Commonwealth and the States of Queensland and Western Australia agreed to co-operate in the conduct of a geological and geophysical survey of certain areas in the northern parts of Australia, including the Northern Territory. More detailed reference to the survey and its progress will be found on page 664, Chapter XIX.—Mineral Industry.

5. Pearl, Bêche-de-Mer, and Other Fisheries.—In 1884 mother-of-pearl-shell was discovered in the harbour of Port Darwin. Difficulty in working, principally through heavy tides and muddy water, retarded the development of the industry for many years. During the first half of the financial year 1930-31, 32 boats were operating, employing 248 indentured workmen. By Ordinance, gazetted in March, 1931, a limit was set to the output of shell, and the pearling fleet was, consequently, reduced to eighteen boats with 164 employees, but the Federal Government removed the restriction on the quantity to be taken during the 1933-34 season. With unrestricted operations the production of shell for the year 1933-34 was 269 tons valued at approximately £40,800 as compared with 270 tons valued at £48,000 in the preceding year, but should the demand for pearlshell increase, the master pearlers are in a position to commission a further fifteen vessels. The territorial waters teem with fish; it was hoped to establish a salt and dried fish trade but this has not materialized. In the procuring of bêche-de-mer four boats were engaged. The production of raw salt from the tidal salt pans at Fannie Bay during 1933-34 was 250 tons, valued at £7 per ton. The salt is comparatively free of foreign matter, an analysis revealing an actual sodium chloride content of 98.05 per cent.

§ 6. Land Tenure.

A description of the system of land tenure in force in the Territory will be found in Chapter V.—Land Tenure and Settlement, Official Year Book No. 22.

§ 7. Commerce, Shipping and Air Services.

1. Trade.—No record is kept of the trade between the Commonwealth States and Territories. The value of the direct oversea trade for 1901 and for each of the years 1929-30 to 1933-34 is given hereunder:—

NORTHERN TERRITORY.—VALUE OF DIRECT OVERSEA TRADE.

| Items. | 1901. | 1929-30. | 1930-31. | 1931-32. | 1932-33. | 1933-34. |
|----------------|--------|----------|----------|----------|----------|----------|
| | £ | £ | £ | £ | £ | £ |
| Imports (a) .. | 37,539 | 37,902 | 19,251 | 9,884 | 4,225 | 28,320 |
| Exports (b) .. | 29,191 | 58,471 | 14,956 | 20,624 | 10,427 | 6,303 |
| Total | 66,730 | 96,373 | 34,207 | 30,508 | 14,652 | 34,623 |

(a) British currency values.

(b) Australian currency values.

The sharp decline in the export figures of 1930-31 was due mainly to the cessation of the trade in live cattle with the Philippines, which amounted in 1929-30 to £22,209, and a fall in the value of pearl-shell exported to £10,685 as compared with £27,837 in the previous year. Residual oil to the value of £19,284 was imported during 1933-34 and this item was mainly responsible for the increase in imports in that year.

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

NORTHERN TERRITORY.—SHIPPING.

| Period. | Arrivals. | | Departures. | |
|-----------------|-----------------|----------|-----------------|----------|
| | No. of Vessels. | Tonnage. | No. of Vessels. | Tonnage. |
| 1929-30 | 52 | 126,004 | 47 | 125,925 |
| 1930-31 | 39 | 111,144 | 39 | 111,453 |
| 1931-32 | 39 | 95,560 | 39 | 96,632 |
| 1932-33 | 38 | 95,834 | 38 | 97,011 |
| 1933-34 | 39 | 98,986 | 37 | 94,624 |

The foregoing figures are exclusive of particulars of coastwise shipping. During 1933-34 eight vessels of 168 tons net were entered at Darwin as coastwise.

3. **Air Services.**—Darwin is the first port of arrival in Australia of aircraft from Europe, Singapore, and from Netherlands East Indies. Qantas Empire Airways Ltd. maintains a regular weekly service in each direction over the Brisbane-Darwin-Singapore route.

§ 8. Internal Communication.

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

The Northern line from Adelaide terminated at Oodnadatta, about 100 miles south of the southern boundary of the Territory, but has been extended to Alice Springs, an addition of 292 miles. The line from Darwin to Katherine River, about 200 miles, has been extended as far as Birdum, 316 miles from Darwin. The completion of the remainder of the gap would give access to broad belts of pastoral and mineral country towards the centre of Australia. The Commonwealth Government acquired on 1st January, 1911, the property in the line from Port Augusta to Oodnadatta (478 miles), and on 1st January, 1926, the control thereof was transferred to the Commonwealth Railways Commissioner. (See under Federal Railways.)

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

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

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

§ 9. Finance.

1. Revenue and Expenditure, 1933-34.—In the Commonwealth finance statements separate accounts are given for Northern Territory administration. Revenue and expenditure for 1933-34 are given below:—

REVENUE AND EXPENDITURE.—NORTHERN TERRITORY, 1933-34.

| REVENUE. | £ | EXPENDITURE. | £ |
|---|----------------|--|----------------|
| Customs and Excise .. | 5,512 | Northern Territory Administration | 102,824 |
| Postal, Telegraph, and Telephone | 11,396 | Other Departments | 4,980 |
| Railways— | | New Works | 13,020 |
| North Australia | 27,714 | Repairs, Maintenance, &c. .. | 15,491 |
| Central Australia | 94,444 | Unemployment Relief | 7,968 |
| Territorial | 24,890 | Railways— | |
| Land and Income Tax | 4,436 | Working Expenses | 151,664 |
| Sales Tax | 790 | New Works | 3,977 |
| Miscellaneous | 22,479 | Interest | 344,319 |
| Deficiency on year's transactions | 547,917 | Sinking Fund | 47,889 |
| | | Post, Telegraph and Telephone Interest | 17,187 |
| | | Sinking Fund | 26,738 |
| | | | 3,521 |
| Total | 739,578 | Total | 739,578 |

2. Debt.—On the first January, 1911, the Commonwealth Government took over from the South Australian Government the outstanding debt in respect of the Northern Territory (£3,931,086) and the Port Augusta-Oodnadatta Railway (£2,284,486). The following table shows the debts and interest payable at the 1st January, 1911, and at the 30th June, 1934.

NORTHERN TERRITORY DEBT.

| Location. | 1st January, 1911. | | 30th June, 1934. | |
|-----------|--------------------|-------------------|------------------|-------------------|
| | Principal. | Interest Payable. | Principal. | Interest Payable. |

NORTHERN TERRITORY DEBT.

| | £ | £ | £ | £ |
|--------------------|------------------|----------------|----------------|---------------|
| London | 1,588,400 | 63,401 | 329,100 | 12,418 |
| Australia | 2,342,686 | 88,019 | 32,924 | 982 |
| Total | 3,931,086 | 151,420 | 362,024 | 13,400 |

PORT AUGUSTA-OODNADATTA RAILWAY DEBT.

| | £ | £ | £ | £ |
|--------------------|------------------|---------------|----------------|---------------|
| London | 2,227,101 | 84,933 | 859,034 | 32,450 |
| Australia | (a) 57,385 | 419 | 22,625 | 678 |
| Total | 2,284,486 | 85,352 | 881,659 | 33,128 |

(a) Includes £34,475 Revenue capitalized.

THE FEDERAL CAPITAL TERRITORY.

1. **Introductory.**—In Year Books Nos. 4 and 5, information was given in Section XXXI., in regard to the events leading to the selection of the Federal Capital Territory and the necessary legislation and the progress of operations in connexion with the establishment of the capital city. The physiography of the Territory was dealt with extensively and topographical and contour maps accompanied the letterpress, as well as reproductions of the premiated designs for the laying out of the city. Considerations of space, however, preclude the repetition of this information. On the 12th March, 1913, the official ceremony to mark the initiation of operations in connexion with the establishment of the Seat of Government was carried out. At this ceremony the selection of "Canberra" as the name of the capital city was announced. (A special article contributed by Dr. F. Watson, entitled "Canberra Past and Present", appeared on page 454 of Year Book No. 24.)

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

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

The administration of the Territory by the Federal Capital Commission was continued until the 30th April, 1930, when the Seat of Government (Administration) Act 1924–1929 was repealed, and the powers and functions of the Commission reverted to the Government. The new Administration provided for the general control of the Territory by the Minister for Home Affairs, with the assistance of the Department of Public Health in health matters, the Department of Works in the operation of the engineering services and in the construction of works, and the Attorney-General's Department in the administration of the Courts, Police and Probate, and the Registration of Titles.

An Advisory Council to advise the Minister on matters of local concern was established on the 1st May, 1930, by Ordinance under the Act, and a Civic Administrator was appointed under the Ordinance as Chairman of the Advisory Council and to carry on the general administration of the Territory under the Minister and subject to the specific services being undertaken by the other Commonwealth Departments mentioned.

The Advisory Council consisted of the Secretary, Department of Home Affairs; the Director-General of Health; the Secretary, Department of Works; the Civic Administrator; and three residents elected for two years under a system of adult franchise.

On the 12th April, 1932, the Departments of Home Affairs and Works were abolished and the Department of the Interior was established in lieu thereof. The office of Civic Administrator was abolished, and the constitution of the Council was altered to provide that the nominated members of the Council should consist of the Director-General of Health, and three officers of the Department of the Interior, namely, the Assistant Secretary (Works and Services); the Assistant Secretary (Property and Survey); and the Assistant Secretary (Civic Representative).

Under the new administration, the general control of the Territory is exercised by the Minister for the Interior, but the specific services undertaken by the Department of Health and the Attorney-General's Department are being continued by those Departments.

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

Structures completed after the commencement of the Departmental form of administration comprised the Australian Institute of Anatomy with laboratories and

accommodation for a museum of Australian fauna; laboratories of the divisions of Economic Entomology and Plant Industry of the Institute of Scientific and Industrial Research; and a public swimming pool equipped with a modern filtration chlorination plant.

During the year 1934-35 considerable progress was made with the first section of the Australian War Memorial and the first section of the National Library building was completed. Fifty-four cottages were erected.

The following works were commenced or completed:—Deviation of Royalla-road; construction of new road to Kingston round site of the Church of England; reconstruction of Canberra to Yass road to Federal Capital Territory boundary; bituminous surfacing of road from the Prime Minister's Lodge to Government House; tourist road to top of Mount Russell; construction of new road Lee Springs to Mount Franklyn; asphaltting of footpaths; seal coating of residential streets; concrete and timber culverts and improvements to country roads; bridge over River Murrumbidgee on road to Uriarra; cement lining of city water mains; Black Mountain reservoir; duplication of water main Red Hill reservoir to town of Queanbeyan; construction of five additional sludge beds at sewerage treatment works, Western Creek; stormwater drainage, Reid; extensions to electric mains to new buildings and sub-divisions.

The preparation and planting of London Circuit were proceeded with and general planting of avenues, parks, gardens and shelter belts was continued throughout the year.

5. **Forestry.**—A considerable amount of reforestation work has been undertaken, and plantations have been established at Uriarra, Mount Stromlo, Pierce's Creek and Kowen. Experimental plots have also been established at Coree and Pierce's Creek, and silvicultural work is being carried out at Black Mountain.

The total area of plantations to 30th June, 1935, was 9,525 acres. Forestry operations were begun on Mount Stromlo in 1915, and up to 1925 approximately 700 acres had been planted with pine and other trees. The plantings up to this time were chiefly on aesthetic lines, but since the initiation of the wider programme, arrangements have been made for pruning and thinning.

The Forestry Section of the Federal Capital Commission was established in 1926 and a comprehensive review was undertaken of the Territory's potentialities in regard to forest development. A system of forestry management was instituted in the existing forest areas, and a considerable amount of survey and assessment work has been completed.

In the initial stages *pinus insignis* was most extensively planted, but, as a result of experimental work, plots of better quality pines on a longer rotation, such as *pinus ponderosa*, *Jeffreyi* and *laricio* were planted during recent years.

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

As considerable portions of the Territory lands are not required in connexion with the establishment of the city, large areas have been leased under special improvement conditions in regard to the extermination of noxious weeds and the destruction of rabbits and other pests. The lands are classified into three grades of agricultural and three grades of grazing land. About 315,141 acres comprising 407 leases are at present held under lease for periods varying from quarterly tenure to 25 years.

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

Seven leases for church purposes have been granted under the *Church Lands Leases Ordinance* 1924-1932, which requires the lessees to submit a definite building programme within a specified period, and a further nine leases have been granted for church and scholastic purposes under the *Leases (Special Purposes) Ordinance* 1925-1932.

The total number of leases granted under the *City Area Leases Ordinance*, not including surrendered leases, at the end of the financial year 1934-35 was 303, representing a capital value of £168,860. During the year seventeen new leases were granted. The number of business and residential blocks surrendered to or determined by the Commonwealth to the end of the year was 239.

Under the terms of the *City Area Leases Ordinance 1924-1935* each block is leased for a period of 99 years at a rental of £5 per centum per annum of the unimproved capital value as assessed by the Commonwealth or bid at auction. In conformity with the general reduction of interest in consequence of the financial crisis rentals under this Ordinance have been reduced to 4 per centum of the unimproved capital value until 30th June, 1936.

(ii) *Land at Jervis Bay.* The Commonwealth has acquired from the State of New South Wales sovereign rights over the area comprising about 28 square miles of land and water at Jervis Bay for possible use as a port in connexion with the Federal Capital. The Royal Australian Naval College was established in this area on a site known as Captain's Point, but was removed in 1930 to Flinders Naval Base, Victoria. Nearly all of the remaining lands have been leased.

A scheme for the use by tourists of the residences and other buildings at Jervis Bay has been put into operation, and it has proved a considerable attraction, affording a seaside resort for residents of the Territory as well as for visitors from other places.

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

A direct passenger service is in operation connecting Canberra with Sydney and Melbourne, and trains leave both cities for Canberra daily except Saturdays. Improved facilities for goods traffic have also been provided.

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

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

8. *Population.*—The census return of population on the 30th June, 1933, was 8,766 in the Federal Capital Territory and 181 in Jervis Bay Territory, or a total of 8,947 persons. The estimated population at 31st December, 1934, was 9,192.

9. *Live Stock.*—The live stock, according to the latest return, comprised:—Horses, 950, Cattle, 6,790, and sheep, 231,742.

10. *Educational Facilities.*—Arrangements have been made with the New South Wales Education Department to continue for the time being the administration of education in the Territory, the expenditure involved being refunded annually to the State. There are twelve schools in the Territory, including one at Jervis Bay. The largest of these is Telopea Park Intermediate High School, which is situated on the south side of the city area. It has accommodation for 1,000 scholars, and its curriculum provides a standard of education comparable in range of subjects with that provided at the best of the Government High Schools in New South Wales, thus permitting scholars to qualify for entrance to the Universities.

The School also provides for Junior Technical, Commercial, and Trades School Branches, as well as Evening Commercial and Matriculation Classes.

The Trades School, which is excellently equipped, supplies the necessary training for apprentices and journeymen who are desirous of improving their respective trade qualifications. Provision at the School has also been made for Domestic Science and Dressmaking Sections.

An Infants' School with accommodation for 450 children has been erected on the north side of the city, where for the present scholars of the primary standard on the north side of the river are being catered for. Apart from two other smaller schools in the temporary section of the city settlement, the balance are small rural schools serving the needs of leaseholders settled in the Territory.

Reference to the establishment of a University College at Canberra will be found in Chapter VIII., Education, herein.

There are at present three private schools in the Territory. The Canberra Grammar School for Boys, Canberra Church of England Grammar School for Girls, and St. Christopher's Convent—all of which provide for primary and secondary education.

11. Finance.—(i) *Financial Year 1934-35.* Receipts and Expenditure for the financial year 1934-35 are given in the table hereunder.

FEDERAL CAPITAL TERRITORY.—RECEIPTS AND EXPENDITURE, 1934-35.

| Receipts. | | Expenditure. | | | | |
|--|----------------|---|----------------|----------------|----------------|------------------|
| Items. | Amount. | Items. | Capital. | Maintenance. | Other. | Total. |
| | £ | | £ | £ | £ | £ |
| Rent and Rates .. | 121,331 | Architectural Services .. | 101,589 | 26,598 | .. | 128,187 |
| Electricity .. | 34,039 | Engineering Services .. | 76,118 | 69,544 | .. | 145,662 |
| Motor Registration and Fees .. | 8,943 | Forestry .. | 15,496 | .. | .. | 15,496 |
| Hospital Tax .. | 4,150 | Loans for Housing .. | 18,727 | .. | .. | 18,727 |
| Hotels .. | 92,673 | Sundry Works and Services | 7,071 | 31,419 | .. | 38,490 |
| Transport and City Bus Service .. | 45,703 | Buildings and Engineering Services for Health Department .. | .. | .. | .. | .. |
| Sales of Goods, Manufactured Products, etc. .. | 157,739 | Unemployment Relief Works .. | 252 | .. | .. | 252 |
| Miscellaneous .. | 31,997 | Education .. | 14,062 | .. | .. | 14,062 |
| | | Hospital—Working Expenses .. | .. | .. | 19,755 | 19,755 |
| | | Interest and Sinking Fund .. | .. | .. | 8,835 | 8,835 |
| | | Administrative .. | .. | .. | 294,294 | 294,294 |
| | | Hotels—Working Expenses .. | .. | .. | 45,000 | 45,000 |
| | | Transport and City Bus Service—Expenses .. | .. | .. | 90,911 | 90,911 |
| | | Factory Stores, etc.—Working Expenses .. | .. | .. | 44,798 | 44,798 |
| | | Miscellaneous—Police, Fire Brigade, etc. .. | .. | .. | 146,512 | 146,512 |
| | | | .. | .. | 42,253 | 42,253 |
| Total Receipts .. | 496,575 | Total Expenditure .. | 233,315 | 127,561 | 693,258 | 1,054,134 |

(ii) *From Date of Selection of Site to 30th June, 1935.*—The total receipts and expenditure from the date of selection of site to the 30th June, 1935, were as follow:—

FEDERAL CAPITAL TERRITORY.—RECEIPTS AND EXPENDITURE TO 30th JUNE, 1935.

| Receipts. | | Expenditure. | |
|--|-------------------|--|-------------------|
| Items. | Amount. | Items. | Amount. |
| | £ | | £ |
| Commonwealth Treasury— | | Lands .. | 901,133 |
| Initial Liability at 30th June, 1924 .. | 2,966,600 | Engineering Works .. | 3,943,782 |
| | | Architectural Works .. | 3,803,835 |
| | | Other Capital Expenditure .. | 301,608 |
| Loans and Advances, Federal Capital Commission, 1st January, 1925 to 30th April, 1930 .. | 6,220,299 | | |
| Net Expenditure, 1st May, 1930 to 30th June, 1935 | 917,165 | Maintenance and Administration .. | 5,797,018 |
| | | <i>Less—</i> | |
| | | Rents .. | 1,460,642 |
| | | Hotel and Liquor Receipts .. | 960,682 |
| | | Revenue from Local Government Services, Electricity, Motor Registration, etc. .. | 766,381 |
| | | Sale of Goods, Transport and Sundry Services .. | 1,468,195 |
| | | | 4,655,900 |
| | | Other .. | 1,141,118* |
| Total Receipts .. | 10,104,064 | Net Expenditure .. | 10,104,064 |

* Does not include accumulated interest.

NORFOLK ISLAND.

1. **Area, Location, etc.**—Norfolk Island, discovered by Captain Cook in 1774, is situated in latitude $29^{\circ} 3' 45''$ south, longitude $167^{\circ} 58' 6''$ east. Its total area is 8,528 acres, the island being about 5 miles long and 3 miles wide. From Sydney it is distant 930 miles, and from Auckland, 630 miles. The coast line is 20 miles, and its form that of an irregular ellipse. Except on the south-west, inaccessible cliffs rise from the water's edge. The climate is equable, the temperature ranging between 56° and 82° , with a mean of 68° . The average annual rainfall is 55 inches. It has been said that the salubrious climate, coupled with the beauty of its land and sea scapes, should combine to render Norfolk Island "the Madeira of the Pacific." The island is visited annually by a number of tourists, and with improved shipping facilities this traffic is likely to increase. A tourist bureau has been established on the island.

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

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

The descendants of the *Bounty* mutineers, having become too numerous to subsist on Pitcairn Island, were removed thence to Norfolk Island in 1856. The new community numbered 94 males and 100 females—and were the descendants of British sailors and Tahitian women. Two of these were still alive at the 78th anniversary of the transfer celebrated in June, 1934.

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

4. **Population.**—The population at the 30th June, 1934, was 1,198, consisting of 647 males and 551 females. In the year 1933-34, 20 births, 12 deaths, and 6 marriages were recorded. The average age of the persons who died was 66 years.

5. **Live Stock.**—The latest returns of live stock show that in 1934 there were on the island 1,636 cattle, 718 horses, 292 sheep, and 158 pigs. In addition, there were 5,581 head of poultry. The quality of the live stock, generally speaking, is poor, but efforts are being made to improve it.

6. **Production, Trade, etc.**—The soil throughout is rich, and is specially suitable for the cultivation of citrus fruits, bananas, and (in parts) coffee. Eighteen thousand two hundred and eighty-five cases of bananas were shipped in 1933-34 and 5,437 cases in 1934-35. Various other sub-tropical fruits thrive. During 1934-35 the export of oranges was 89 cases; passion fruit and pulp, 91 cases, and 1,139 gallons; mixed fruit, 151 cases; potatoes, 20 cases. There are many thousands of lemon trees and guavas growing wild throughout the island.

Large numbers of whales pass the island throughout the season, but whaling has now practically ceased. The preserved fish industry which was established some years ago has been abandoned; although such fish as trevalla, kingfish, snapper, and many others, are plentiful.

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

NORFOLK ISLAND.—IMPORTS AND EXPORTS.

| Heading. | 1930-31. | 1931-32. | 1932-33. | 1933-34. | 1934-35. |
|---------------|----------|----------|----------|----------|----------|
| | £ | £ | £ | £ | £ |
| Imports | 43,370 | 40,278 | 30,921 | 28,660 | 26,519 |
| Exports | 21,908 | 20,555 | 21,792 | 15,893 | 8,318 |
| Total | 65,278 | 60,833 | 52,713 | 44,553 | 34,837 |

The following goods imported into the Island are subject to Customs duty :—Spirits, ale, beer, wine, tobacco, oils, sugar, molasses, biscuits, candles, confectionery, dried fruits, jams, jellies and preserves. Preference is given in the Tariff to Australian wines, tobacco and dried fruits. No duties are chargeable on goods imported into Australia from Norfolk Island if the goods—(a) are the produce or manufacture of Norfolk Island; and (b) are shipped direct to Australia; and (c) are not goods which if manufactured or produced in Australia would be subject to any duty of excise.

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

An alternate 12 and 30 days’ shipping service to the Territory is maintained by the vessels of Burns, Philp & Co. Ltd., Sydney, under the terms of the contract with the Commonwealth Government for the maintenance of shipping services to the Pacific Islands.

On one voyage the SS. *Morinda* leaves Sydney, calls at Lord Howe Island and Norfolk Island and then proceeds to the New Hebrides, returning to Sydney by the same route. The same vessel then makes a short trip to Norfolk Island and returns to Sydney calling at Lord Howe Island on both the outward and inward voyages.

The journey from Sydney to Norfolk Island occupies four days.

8. **Social Condition.**—Education is free and compulsory up to the age of fourteen years. The school conforms to the Australian standard of public education, ranging from kindergarten to the intermediate certificate, with a two years’ superprimary course for the purpose of attending classes of instruction in agriculture, woodwork and metalwork. The headmaster and two assistant teachers are lent by the New South Wales Education Department, but they are paid by the Norfolk Island Administration. The number of scholars enrolled in 1934 was 159.

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

9. **Finances.**—The receipts and expenditure for the year 1933-34 were as follow :—

NORFOLK ISLAND.—RECEIPTS AND EXPENDITURE, 1933-1934.

| Items. | Receipts. | Items. | Expenditure. |
|----------------------------|-----------|-------------------------------|--------------|
| | £ | | £ |
| Brought forward | 10,615 | Salaries | 5,249 |
| Commonwealth Subsidy | 3,000 | Miscellaneous | 4,379 |
| Customs Duties | 2,646 | Purchase of Liquor | 1,977 |
| Sale of Liquor | 2,598 | Balance carried forward | 9,253 |
| Miscellaneous | 1,999 | | |
| Total | 20,858 | Total | 20,858 |

PAPUA.

§ 1. General Description.

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

2. **Administration by Commonwealth of Australia.**—The Territory was placed under the authority of the Commonwealth on 1st September, 1906, by proclamation issued in pursuance of Letters Patent of the 18th March, 1902, and was accepted by the Commonwealth by the Papua Act 1905, which came into force by virtue of the proclamation aforesaid. The transfer was made under the authority of section 122 of the Constitution. The Territory is now under the administration of the Commonwealth, but not included within it, and is divided into magisterial districts.

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

§ 2. Population.

The white population of Papua at the census of the 30th June, 1935, was 1,229, made up of 754 males and 475 females. The following table gives the white population in each of the last five years :—

WHITE POPULATION OF PAPUA.
YEAR ENDED 30TH JUNE.

| 1931. | 1932. | 1933. | 1934. | 1935. |
|-------|-------|-------|-------|-------|
| 1,128 | 1,152 | 1,148 | 1,107 | 1,229 |

It is not possible to give exact data regarding the number of natives, because a large area of the interior is not yet under Government control. The official estimate is 275,000. Such censuses of the native population as have been taken during recent years point to a slight increase. The coloured population, other than Papuans, on 30th June, 1933, was 786, and included many mission teachers from Samoa, Fiji, and other Pacific Islands. On the same date, half-castes, with one of the parents a European, were 227. An Immigration Restriction Ordinance prohibits the immigration of persons who fail to pass the dictation test, or who are of bad character, or likely to become a charge upon the public. Exemptions may, however, be granted by the Lieutenant-Governor to persons of special skill required for employment as overseers or foremen.

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

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

Owing to the economic depression, the number of indentured native labourers declined from 3,716 in 1933 to 3,627 in 1934, while the number of unindentured labourers also fell from 2,242 to 2,109. The demand for native labour increased during 1935 and the total number employed rose to 12,558.

2. **Native Taxes.**—Under the Native Taxes Ordinance, 1917-1932, a tax not exceeding £1 per annum may be imposed on natives, excepting native constables, mission teachers, natives unfit for work, and those who have four living children. The proceeds of the tax must be expended on native education, or devoted to purposes directly benefiting the natives, as may be prescribed.

The taxes collected in 1934-35 amounted to £13,329, of which £3,418 was transferred to the Native Education Fund, and £7,539 to the Native Benefits Fund. The Native Education Fund during the year 1934-35 disbursed to primary and technical education £4,395, and to agricultural education £692, leaving a credit balance of £17,215. From the Benefits Fund the expenditure included:—Anthropology, £769; health, £6,763; village improvements, £176; family bonus, £1,133; and games in villages, £9.

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

4. **Health.**—The two principal native hospitals are in Port Moresby and Samarai; but minor hospitals are attached to the out-stations. Hospitals are also conducted by the various mission societies and plantation companies. The mission societies employ two doctors and a number of trained nurses. Several European medical assistants are employed by the Government. During the past three years parties of natives have received a six months course of instruction in first aid and in elementary physics, chemistry, anatomy, physiology, and pathology at the School of Public Health and Tropical Medicine, University of Sydney. On their return to the Territory the natives are employed as travelling native medical assistants. The chief complaints treated are yaws, ulcers, lung affections, hookworm, venereal and skin diseases. In 1933-34 there were sporadic occurrences of influenza, acute anterior poliomyelitis, typhoid fever and dysentery, but nothing in the nature of an epidemic was reported. The death rate amongst native labourers was 1.06 per cent. in 1934-1935. Excluding deaths from snakebite, drowning and murder the percentage fell to .82 per cent.

§ 4. Land Tenure.

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

2. **Holdings.**—On the 30th June, 1932, the lands of the Territory were held as follow:—

PAPUA.—HOLDINGS, 1932.

| Description. | Area. |
|--------------------------------|------------|
| | Acres. |
| Land held by the natives | 56,899,084 |
| Crown land | 831,835 |
| Freehold land | 22,932 |
| Leasehold land | 191,749 |
| Area of Territory | 57,945,600 |

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

Of the total area of 191,749 acres shown above, agricultural leases accounted for 176,915, pastoral leases for 13,787, special leases for 190 and mission leases for 561.

The area of land acquired by the Crown in 1933-34 was 15,888 acres, while 32,157 acres were leased and 15,383 acres surveyed.

§ 5. Production.

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

2. *Agriculture.*—(i) *Soil and Rainfall.* Rich soils at varying elevations and heavy and evenly distributed rainfall favour the cultivation of a variety of tropical products including sugar cane, coconuts, sago palm, bread fruit, dyewoods, spices, ginger, nutmegs, bananas and other fruits. There are large areas of rich alluvial and volcanic soils along the coast, and fertile land is found at elevations up to 6,000 feet. Heavy rainfalls occur, except over a belt of country which runs back from the coast to the hills, and which has its dry season from May to November. This "dry" area is admirably suited for the production of tobacco, fibres, cotton, etc. There are 20 meteorological stations throughout the Territory, and an economic museum and agricultural library have been established.

(ii) *Plantations.* Agricultural settlement has been mostly in the Central and Eastern Divisions, and the acreage under cultivation in 1934 was 59,446, as against 58,307 in 1933. The principal plantation crops are coconuts, rubber, and sisal hemp. There is also some cultivation of kapok, coffee, tobacco, cocoa, rice and maize. The natives are compelled by an ordinance to plant coconuts for food supply. In addition to the coconuts in these plantations, many more are planted over small and widely scattered areas by the older natives in accordance with custom. The Native Plantations Ordinance provides for the establishment of plantations in which half of the proceeds is paid to the natives entitled thereto, and the remaining half paid into the Native Education Fund. The following table shows the areas under the different crops at 31st December, 1934 :—

PAPUA.—AREA OF PLANTATIONS, 1934.

| Description. | Area. |
|---|--------|
| | Acres. |
| Coconuts | 49,933 |
| Rubber | 8,933 |
| Hemp | 362 |
| Kapok | 86 |
| Coffee | 398 |
| Rice | 21 |
| Sugar | 54 |
| Mauritius Beans | 80 |
| Other crops (including fruit trees) | 479 |
| | 59,446 |

The quantities of copra and rubber exported during the year ended 30th June, 1935, were 8,570 tons and 1,069 tons respectively.

(iii) *Government Plantations.* There are two Government plantations, the Orangerie Bay coconut plantation and the Kemp Welch rubber plantation. The profits during 1934-35 were £1,470, as against £362 in 1933-34.

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

4. *Live Stock.*—At 31st December, 1933, the live stock in the Territory consisted of 552 horses, 6,409 head of cattle, 102 mules, 11 donkeys, 2,287 goats, 862 pigs, 50 sheep and 7,628 fowls. The introduction of rabbits, foxes, hares, and monkeys is prohibited.

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

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

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

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

PAPUA.—GOLD YIELD.

| 1930-31. | | 1931-32. | | 1932-33. | | 1933-34. | | 1934-35. | |
|--------------------|---------------|--------------------|---------------|--------------------|---------------|---------------------|---------------|---------------------|----------------|
| Quantity. (a) | Value. | Quantity. (a) | Value. | Quantity. (a) | Value. | Quantity. (a) | Value. | Quantity. (a) | Value. |
| fine ozs. 5,283 | £A. 26,097 | fine ozs. 8,014 | £A. 54,241 | fine ozs. 9,387 | £A. 70,337 | fine ozs. 10,814 | £A. 87,893 | fine ozs. 16,136 | £A. 140,692 |

(a) Estimated.

NOTE.—The values in the above table are expressed in Australian currency.

Most of the rivers, with the exception of those flowing into the Gulf of Papua, have been declared open to gold-dredging, and good yields have been obtained. The total value of gold won to 30th June, 1935, was £1,938,980.

(iii) *Copper.* Owing to the very low prices ruling for copper in the world's market the copper mines in Papua have suspended operations. The total value of the copper exported to the 30th June, 1934, was £366,817.

(iv) *Osmiridium.* The existence of osmiridium had been known for several years, but for some time no serious attempt was made to collect it. The alluvial gold miner formerly picked out the larger slugs of the metal from his gold parcel and discarded them. Eight and a half ounces valued at £112 were exported during 1934-35.

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

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

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

§ 6. Finance, Trade, Postal and Shipping.

1. *Finance.*—The principal sources of revenue for the year 1934-35 were as follow :—Commonwealth Grant; £42,500; Commonwealth Grant in aid of rubber producers, £19,022; Customs and Excise, £43,428; Government Plantations, £6,216; Fees of Office, £6,200; Land Revenue, £5,319; Post Office, £6,283; Port and Wharfage Dues, £3,012; and Miscellaneous, £20,631.

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

PAPUA.—LOCAL REVENUE AND EXPENDITURE.

| Item. | 1930-31. | 1931-32. | 1932-33. | 1933-34. | 1934-35. |
|-------------------|----------|----------|----------|----------|----------|
| | £ | £ | £ | £ | £ |
| Revenue | 89,918 | 90,116 | 93,043 | 81,148 | 91,089 |
| Expenditure | 135,325 | 128,682 | 128,421 | 121,199 | 133,451 |

2. *Trade.*—Provision is made in the Australian Customs Tariff (Papua and New Guinea Preference) 1934 for the free entry into Australia of certain goods produced and imported direct from Papua (*see* Chapter VII., page 239). In addition, the Commonwealth Government returns for distribution among producers the custom duty of 2d. per lb. collected on rubber imported from Papua. In the Papuan Custom Tariff 1934 preference is given to Australian wines and timber. The value of the trade of Papua for the last five years is shown in the following table :—

PAPUA.—IMPORTS AND EXPORTS.

| Particulars. | 1930-31. | 1931-32. | 1932-33. | 1933-34. | 1934-35. |
|-------------------|----------|----------|----------|----------|----------|
| | £ | £ | £ | ° £ | £ |
| Imports | 240,074 | 221,843 | 218,016 | 220,605 | 269,299 |
| Exports | 274,354 | 269,254 | 275,866 | 249,135 | 294,743 |
| Total Trade | 514,428 | 491,097 | 493,882 | 469,740 | 564,042 |

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

PAPUA.—PRINCIPAL EXPORTS.

| Article. | 1930-31. | 1931-32. | 1932-33. | 1933-34. | 1934-35. |
|-----------------------------|----------|----------|----------|----------|----------|
| | £ | £ | £ | £ | £ |
| Bêche-de-Mer | 5,549 | 4,380 | 6,482 | 1,643 | 4,455 |
| Copra | 93,710 | 100,454 | 89,512 | 42,990 | 57,597 |
| Desiccated Coco-nut | 79,264 | 59,826 | 49,514 | 48,000 | 37,895 |
| Gold | 22,440 | 34,338 | 45,383 | 45,933 | 68,922 |
| Pearls | 123 | .. | 1,480 | 2,505 | 5,742 |
| Rubber | 47,036 | 49,262 | 56,929 | 61,324 | 79,031 |
| Trochus Shell | 7,606 | 8,510 | 9,619 | 16,922 | 11,750 |

The improvement in price coupled with the Australian preference was responsible for the increased exports of rubber during the past two years. The production of gold is increasing, and last year's output was the largest for several years. Other industries are languishing owing to low prices. This applies to the bêche-de-mer industry, copra, cotton growing and copper mining.

3. Shipping.—The following table shows the number and tonnage of oversea vessels entered and cleared at ports during the years 1929-30 to 1934-35. All the vessels recorded in 1934-35 except 26 were of British nationality.

PAPUA.—OVERSEA SHIPPING.

| Year. | Vessels. | Tonnage. |
|-----------------|----------|----------|
| 1929-30 | 180 | 228,391 |
| 1930-31 | 171 | 220,399 |
| 1931-32 | 185 | 333,304 |
| 1932-33 | 170 | 398,451 |
| 1933-34 | 168 | 373,695 |
| 1934-35 | 177 | 341,537 |

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

§ 7. Progress of Papua.

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

PAPUA.—STATISTICAL SUMMARY.

| Items. | Year ended 30th June— | | |
|---|-----------------------|-----------|-----------|
| | 1907. | 1934. | 1935. |
| White population | 690 | 1,107 | 1,229 |
| Native labourers employed | 2,000 | 5,736 | 12,558 |
| Territorial revenue | £21,813 | £81,148 | £91,089 |
| „ expenditure | £45,335 | £121,199 | £133,451 |
| Value of imports | £87,776 | £220,605 | £269,299 |
| „ exports | £63,756 | £249,135 | £294,743 |
| Area of plantations acres | (a)1,467 | (a)58,307 | (a)59,446 |
| Meteorological stations established | 3 | 20 | 20 |
| Gold yield fine ounces | 12,439 | 10,814 | 16,136 |

(a) 31st December, previous year.

MANDATED TERRITORY OF NEW GUINEA.

§ 1. General Description.

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

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

AREA OF TERRITORY OF NEW GUINEA.

| Particulars. | | Approximate Area. |
|--|--------|-------------------|
| | | Square Miles. |
| North East New Guinea (also called "The Mainland") | | 69,700 |
| Bismarck Archipelago— | | |
| New Britain | 14,600 | |
| New Ireland | 3,340 | |
| Lavongai | 460 | |
| Admiralty Islands | 800 | |
| | | 19,200 |
| Solomon Islands— | | |
| Bougainville | 3,880 | |
| Buka | 220 | |
| | | 4,100 |
| Total | | 93,000 |

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

§ 2. Government.

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

2. **Mandate.**—The Mandate from the Allied and Associated Powers in accordance with which the Territory of New Guinea is administered by the Commonwealth was issued by the League of Nations in December, 1920. The terms of the Mandate appear in Official Year Book No. 16, pp. 662-3.

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

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

In 1932 the Act was amended to provide for the establishment of a Legislative Council and an Executive Council for the Territory. The Legislative Council is empowered to make ordinances for the peace, order and good government of the Territory. Such Ordinances are subject to disallowance by the Governor-General who, however,

is not now empowered to make Ordinances for the Territory. The Amending Act was proclaimed to commence on 2nd May, 1933, and the Act is now entitled the *New Guinea Act 1920-1932*. The Acts of the Commonwealth Parliament do not (unless expressly so stated) extend to the Territory, but the *Laws Repeal and Adopting Ordinance 1921-1934* provides that certain Acts and Ordinances shall be applied thereto.

4. **Legislative Council.**—The Legislative Council consists of the Administrator, the eight official members of the Executive Council and seven non-official members, the latter nominated by the Administrator and appointed by the Governor-General.

5. **Expropriation.**—The Treaty of Peace provided that German nationals resident in her former colonies might be repatriated, and that the property rights and interests of German nationals in former colonies might be retained and liquidated by the Allies, the proceeds being credited to Germany in part payment of the reparation payable by her under the Treaty. In pursuance of these powers, in September, 1920, the property of the principal German companies in the Territory, and in March, 1921, that of a large number of German planters, was vested in the Public Trustee. In 1926 and 1927 these plantations were transferred to private owners.

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

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

7. **Reports to the League of Nations.**—Fourteen reports have been rendered to the League of Nations in compliance with Article 6 of the Mandate, the latest being for the year ended 30th June, 1934.

§ 3. Population.

1. **White Population.**—The number of the white population at various intervals since 1885 is shown in the following table. At the census of 1933, the white population was 3,191, of whom 2,847 were British subjects.

TERRITORY OF NEW GUINEA.—WHITE POPULATION.

| Year. | Number. | Year. | Number. |
|-------|---------|-------|---------|
| 1885 | 64 | 1931 | 2,900 |
| 1929 | 2,600 | 1932 | 3,100 |
| 1930 | 2,850 | 1933 | 3,191 |

2. **Asiatic Population.**—Malays seem to have been the first Asiatics brought by the Germans to German New Guinea; 37 of them were recorded on the mainland in 1885. About 1889 the New Guinea Company began to bring Chinese, Malays, and Javanese in growing numbers from Singapore and Java to work on the plantations; in the year 1892 there were about 1,800 Asiatics on the mainland. By 1898 the number had decreased to 300 or 400. The number of Chinese in the Mandated Territory reached its maximum in 1933 with 1,449.

The Japanese at the date of the Census numbered 73. The total Asiatic population, which in 1914 was 1,681, had increased in 1933 to 1,830. The Chinese provide the skilled artisans of the Territory, and many of them are small traders. Most of the Japanese residents are employed on the plantations, or in shipyards and stores.

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

The following table shows the number enumerated as at 30th June, 1934 :—
TERRITORY OF NEW GUINEA.—NATIVE POPULATION, ENUMERATED 30th JUNE, 1934 (INCLUSIVE OF INDENTURED LABOURERS).

| District. | Children. | | | Adults. | | | Totals. | | |
|-----------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Males. | Females. | Persons. | Males. | Females. | Persons. | Males. | Females. | Persons. |
| Kieta .. | 8,094 | 6,931 | 15,025 | 13,976 | 12,518 | 26,494 | 22,070 | 19,449 | 41,519 |
| Madang .. | 10,447 | 8,639 | 19,086 | 20,006 | 15,669 | 35,675 | 30,453 | 24,308 | 54,761 |
| Manus .. | 2,823 | 2,487 | 5,310 | 5,210 | 4,424 | 9,634 | 8,033 | 6,911 | 14,944 |
| Morobe .. | 23,369 | 20,321 | 44,190 | 33,531 | 28,968 | 62,499 | 56,900 | 49,739 | 106,639 |
| New Britain .. | 20,196 | 17,530 | 37,726 | 33,335 | 25,303 | 58,638 | 53,531 | 42,833 | 96,364 |
| New Ireland .. | 7,027 | 6,007 | 13,034 | 17,333 | 12,357 | 29,690 | 24,360 | 18,364 | 42,724 |
| Sepik .. | 22,446 | 18,469 | 40,915 | 29,940 | 29,335 | 59,275 | 52,386 | 47,804 | 100,190 |
| Total .. | 94,402 | 80,884 | 175,286 | 153,331 | 128,574 | 281,905 | 247,733 | 209,458 | 456,924 |

(a) Deduction of 267 made for double recordings.

The total native population of New Guinea is estimated roughly at about 666,000. Whether the number is increasing or decreasing cannot be ascertained with certainty. The number of natives indentured as labourers, mostly for plantation work, on 30th June, 1934, was 30,862, compared with 28,242 in the previous year.

§ 4. The Natives.

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

2. **Land Tenure.**—Native customs in regard to the ownership and use of land may be briefly outlined as follow—The ownership and use of the land are generally individual, although, in some rare cases, particularly in North Bougainville, the communal system exists. In districts where a great many coconut palms are growing on native lands it is often found that the land is the property of a chief or of one of the old men of the tribe, and that the coconut palms growing thereon are divided into small groves, and are the property of several members of the tribe. Customs with regard to the use of unoccupied forest lands vary. Right of inheritance to land is almost invariably through the maternal branch. (See Official Year Book No. 17, p. 634 and Official Handbook of the Territory.)

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

4. **Education.**—The education of the natives is provided for in the "Education Ordinance of 1922-1933" under which the Administrator is authorized to establish schools, grant money therefor, prescribe instruction, and arrange for the training of teachers and other matters. The expenditure on native education in 1933-34 was £5,379. Though the natives are liable to pay education tax, none has been collected since 1922-23. The European teachers have been seconded from the Education Department of Queensland. During the year ended 30th June, 1934, the following schools were maintained by the Administration :—Native elementary schools and native day

schools, Malaguna and Nodup, near Rabaul, and Kavieng; native technical school, Malaguna; native agricultural school, Keravat. In addition there are schools for Europeans at Rabaul, Kavieng and Wau.

A considerable amount of educational work is carried out by the missions, the schools maintained being of three classes—(a) elementary schools in villages; (b) intermediate boarding schools at headquarters; and (c) high schools and technical schools. At the end of June, 1934, the various missions maintained 49 training centres, 54 high and technical schools, 108 elementary schools, and 1,645 village schools. The pupils numbered 54,972.

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

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

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

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

The Health Department in Rabaul consists of:—(i) a staff of medical officers and orderlies, including travelling doctors; (ii) native hospitals at Government stations and sub-stations (its staff also supervises hospitals on plantations); (iii) a laboratory; (iv) training system for natives as medical orderlies; (v) scheme of distribution of medical necessities; (vi) two leper-stations; and undertakes the general oversight of sanitary conditions. The first Infant Welfare Centre in the Territory was opened in Malabunga in August, 1931.

6. **Missions.**—Several mission societies are operating in the Territory. The Society of the Sacred Heart of Jesus works in the Bismarck Archipelago, the Society of the Holy Ghost along the coast of North-East New Guinea from Sek to the Dutch border, the Marists in Buka and Bougainville. These are Roman Catholic Missions. The Protestant Missions are the Australian Methodist Mission in New Britain and New Ireland, the New Zealand Methodist Mission in Bougainville, the Liebenzell Mission in the Admiralty Group, the Lutheran Mission (supported and staffed by the Lutheran Churches in Australia and America), which works along the coast of North-East New Guinea from Sek to the Papuan border, the Melanesian Mission (Anglican) in New Britain, and the Seventh Day Adventist Mission in Bougainville and New Britain. All these societies combine teaching and planting with their missionary work.

§ 5. Land Policy.

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

2. **Land Policy of the Present Administration.**—The *Land Ordinance 1922-1935* provides for sale as well as leasing of land belonging to the Administration. The divergence from the policy usually adopted by the British in the Pacific (including Papua), which provides for leasehold only, was made with a view to disposing by sale of the freehold properties taken over from Germans, and which until 1927 were controlled by the Expropriation Board. The general land policy of the Administration is based on the leasehold principle. All Administration grants or leases contain a reservation to the Administration of all minerals, including mineral oil. Leases are for a term of 99 years except where a shorter period is provided. Administration lands, except in towns, are classified by a Land Board into land suitable for agriculture (Class A) and land not so suitable (Class B), and the unimproved value of the land is assessed. In the case of agricultural leases for more than 30 years the rent is 5 per cent. of the unimproved value, with power to remit during the first ten years, and subject to

reappraisal every 20 years. The maximum area of land which may be held by any person under an agricultural lease may not exceed 2,000 hectares, and the unimproved value may not exceed £5,000. Pastoral leases of lands of Class B may be granted for terms not exceeding 30 years, at a rental of 2½ per cent. of the unimproved value, subject to reappraisal every 10 years.

Agricultural leases are subject to improvement conditions and pastoral leases to stocking conditions. Leases of town allotments may be granted for terms not exceeding 99 years, at a rent to be fixed at such percentage of the unimproved value as is prescribed.

A total area of 282,408 hectares (about 706,020 acres) had been alienated up to the 30th June, 1934. The area alienated in 1933-34 was 5,273 hectares (about 13,182 acres).

3. **Registration of Titles.**—Under German law there was a system of registration of titles in a "Ground Book," but registration did not confer an indefeasible title. The German system has been replaced by one modelled on the Torrens plan, embodied in an Ordinance entitled the "Lands Registration Ordinance" 1924-1933.

§ 6. Production.

1. **General.**—The natives have been described as a people of peasant proprietors, practising a crude form of agriculture. Their gardens and groves furnish but a small amount of produce for oversea trade, and the exports of the Territory grew only as European plantations were made, and natives were employed to work them. In recent years scientific methods of cultivation have been adopted, and production has been greatly increased thereby.

2. **Agriculture.**—(i) *General.* Under the supervision of the Director of Agriculture soil analysis has been undertaken in different parts of the Territory. A demonstration plantation has been established at Keravat where natives are being trained in tropical agriculture. A laboratory and a herbarium have been established, an entomologist and economic botanist engaged, and travelling inspectors appointed for the purpose of combating plant pests. Experiments are being carried on with a variety of crops. The foregoing measures, in conjunction with the *Papua and New Guinea Bounties Act* 1926 and the preference given by the Commonwealth Tariff to certain produce grown in the Territories, have greatly stimulated tropical agriculture.

(a) *Coconuts.* Coconut-growing is by far the most important industry in the Territory, but the low price of copra has temporarily checked expansion.

(b) *Tobacco.* This crop has been cultivated with success at Astrolabe Bay in North-East New Guinea, and in the Bismarck Archipelago. Tobacco of high quality, rivalling the best Sumatra leaf, has been produced.

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

(d) *Sisal Hemp.* There was a steady although small export of sisal hemp in German times. The quantity exported in 1913 was 10 tons, this being the latest export.

(e) *Cocoa.* Cocoa has been successfully grown, principally at Vitu (French Islands); in 1913, 137 tons were exported. The export in 1933-34 amounted to 98 tons.

(f) *Desiccated Coconut.* Three desiccated coconut factories are established in the Territory. The quantity exported during 1933-34 was 1,463 tons, being 128 tons in excess of the previous year.

(g) *Coffee.* No new areas under coffee were planted during 1933-34, but the plantations already established looked well and bore heavily.

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

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

(ii) *Area of Plantations.* The area of plantations and the principal crops grown thereon are shown in the table hereunder for the year ended 30th June, 1934. The figures are exclusive of native plantations. (One hectare equals 2.4711 acres.)

TERRITORY OF NEW GUINEA.—PLANTATIONS, 30th JUNE, 1934.

| Areas. | Government Plantations. | Privately owned Plantations. | Total. |
|------------------------------------|-------------------------|------------------------------|---------|
| Area of Holdings hectares | 1,058 | 195,779 | 196,837 |
| Area Cleared " | 716 | 93,473 | 94,189 |
| Area Cleared and Planted " | 627 | 87,855 | 88,482 |
| Coconuts— | | | |
| Area Planted hectares | 574 | 84,752 | 85,326 |
| Area Bearing " | 566 | 65,725 | 66,291 |
| Cocoa— | | | |
| Area Planted hectares | 3 | 1,001 | 1,004 |
| Area Bearing " | .. | 352 | 352 |
| Coffee— | | | |
| Area Planted hectares | 14 | 265 | 279 |
| Area Bearing " | 12 | 13 | 25 |
| Kapok— | | | |
| Area Planted hectares | 2 | 388 | 390 |
| Area Bearing " | 1 | .. | 1 |
| Native Food (a) hectares | 16 | 794 | 810 |
| Other Crops " | 34 | 639 | 673 |

(a) Native food of all kinds is mostly grown between young coconut palms not yet in bearing.

The area of plantations at various periods from 1885 to 1934 is shown hereunder. As in the case of the previous table, the figures are exclusive of native plantations :—

TERRITORY OF NEW GUINEA.—PLANTATIONS.

| Year. | Total Area. | Area under Coconuts (including Area not in Bearing). |
|--------------|-------------|--|
| | Acres. | Acres. |
| 1885 | 148 | (a) |
| 1895 | 2,152 | (a) |
| 1911 | 58,837 | 51,510 |
| 1914 | 84,488 | 76,847 |
| 1924 | 411,275 | 172,373 |
| 1931 | 446,865 | 206,470 |
| 1932 | 460,942 | 211,882 |
| 1933 | 514,250 | 214,290 |
| 1934 | 486,404 | 210,849 |

(a) Not recorded.

3. *Live Stock.*—The coconut plantations are now of a sufficient area to maintain numerous live stock, the stock being depastured on the indigenous grasses growing between the rows of palms. In 1934 there were 1,013 horses, 18,211 cattle, 1,394 sheep, 8,950 goats, and 6,470 pigs (exclusive of the large number of pigs kept by the natives).

4. *Timber.*—An investigation of the timber resources has been made by the Commonwealth Inspector-General of Forests, and a report in connexion therewith was published in 1926. According to this report, while offering no prospects of immediate gain to large saw-milling interests, the Territory possesses forest potentialities of a high order. The timber required for house and shipbuilding and for other purposes is mostly

obtained locally. In North-East New Guinea the Lutheran Mission and the Holy Ghost Mission both possess up-to-date saw-milling plants, while most of the timber required in the Archipelago is supplied by the Sacred Heart Mission's saw-mill and three privately owned mills in New Britain. Approximately 2,300,000 super. feet of timber were sawn in 1933-34. The timber required for the gold-fields is produced locally.

The *Timber Ordinance* 1922-1931 provides for the issue of permits and licences to cut timber. Timber growing on native lands cannot be acquired by private purchasers directly from the natives, but must be obtained through the Administration. A royalty is paid on all timber exported. Seven timber permits were issued during the year 1933-34.

5. **Fisheries.**—The wealth of the waters of the Territory has so far been little exploited. Fish is caught at many places along the coast to supply the small local demand of the natives and of the few resident Europeans. Pearl-shell is exported in fair quantities, while bêche-de-mer, trochus-shell and tortoise-shell also figure amongst the exports. The value of marine products exported in 1933-34 was £24,884, compared with £21,533 in the previous year.

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

Mining is regulated by the *Mining Ordinance* 1928-1935. Copies of the Ordinance and Regulations made thereunder may be obtained from the Secretary, Prime Minister's Department, Canberra, or the Administrator, Rabaul.

The following table shows the production of gold during the past five years :—

TERRITORY OF NEW GUINEA.—GOLD PRODUCTION.

| Year. | Quantity. | Value. |
|-----------------|-----------|-----------|
| | Fine oz. | £A |
| 1930-31 | 29,858 | 144,455 |
| 1931-32 | 63,485 | 429,686 |
| 1932-33 | 121,913 | 913,492 |
| 1933-34 | 216,326 | 1,758,226 |
| 1934-35 | 250,374 | 2,183,043 |

The increased production in the last few years is due to greater activity on the fields coupled with the high price realized for gold.

By the *Mineral Oil and Coal Ordinance* 1928-1929, private companies incorporated or registered in the Territory, two-thirds of whose shares are held by British subjects, are eligible to engage in prospecting and mining for mineral oil and coal. On the 30th June, 1934, two licences to search for mineral oil were in force.

§ 7. Trade.

1. **Customs Tariff.**—The *Customs Ordinance* 1921-1932 of the Territory of New Guinea stipulates that all duties of Customs shall be paid in Australian currency. Where the genuine invoice shows the value of imports in any currency other than Australian the equivalent value of the goods in Australian currency shall be ascertained according

to a fair rate of exchange to be declared in case of doubt by the Chief Collector. The Tariff is generally upon a 10 per cent. ad valorem basis, and certain exports of the Territory such as copra, shell, feathers and sulphur are subject to duty. No preferential tariff rates are provided in the Tariff Schedule.

Provision is made in the Australian Customs Tariff for the free entry into Australia of certain goods produced and imported direct from the Territory of New Guinea (see Chapter VII., p. 239.)

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

TERRITORY OF NEW GUINEA—TRADE.

| Year. | Imports. | Exports. | Total. |
|-----------------|----------|-----------|-----------|
| | £ | £ | £ |
| 1887 | 17,133 | 19,580 | 36,713 |
| 1897 | 36,713 | 31,352 | 68,065 |
| 1907 | 166,585 | 97,563 | 264,148 |
| 1929-30 | 878,450 | 997,335 | 1,875,785 |
| 1930-31 | 782,765 | 919,431 | 1,702,196 |
| 1931-32 | 779,397 | 1,108,619 | 1,888,016 |
| 1932-33 | 912,365 | 1,581,272 | 2,493,637 |
| 1933-34 | 924,316 | 1,766,198 | 2,690,514 |

The import values are exclusive of money and Government stores. In 1933-34 the imports were distributed as follow:—From Australia, £375,353; United Kingdom, £110,711; America, £196,557; China, £43,213; Germany, £55,784; Japan, £25,369; Dutch East Indies, £5,470; other countries, £111,859.

3. Principal Items of Imports.—From Australia the principal items of imports are foodstuffs and beverages, tobacco, apparel and textiles, machinery, hardware, building material, coal, drugs, etc.; from the United Kingdom, apparel and textiles, machinery and hardware, whisky; from America, mining machinery, petrol, kerosene, motor vehicles and lubricating oil, tobacco; from India, rice and sacks; from Burma, rice; from China, rice and textiles; from Germany, textiles, aeroplanes, machinery and hardware, and fancy goods; from Japan, textiles, fish and cement.

4. Principal Items of Exports.—Values of the principal items of exports for the last five years are shown hereunder:—

TERRITORY OF NEW GUINEA.—VALUE OF PRINCIPAL EXPORTS.

| Commodity. | 1929-30. | 1930-31. | 1931-32. | 1932-33. | 1933-34. |
|------------------------------|----------|----------|-----------|-----------|-----------|
| | £ | £ | £ | £ | £ |
| Copra | 864,358 | 716,543 | 618,298 | 543,906 | 283,329 |
| Cocoa | 3,074 | 3,200 | 3,060 | 2,292 | 3,479 |
| Stone and Ivory Nuts | 77 | 75 | 280 | 131 | 566 |
| Bêche-de-mer | 6,360 | 7,530 | 4,960 | 3,900 | 4,400 |
| Pearl Shell | 18,410 | 22,075 | 15,170 | 17,585 | 20,482 |
| Tortoise Shell | 78 | 114 | 89 | 48 | 88 |
| Gold | 96,338 | 154,046 | 398,939 | 933,940 | 1,367,616 |
| Desiccated Coco-nut | 8,640 | 37,640 | 64,100 | 73,452 | 81,562 |
| Miscellaneous | .. | 15 | 3,723 | 6,018 | 4,676 |
| Total | 997,335 | 941,238 | 1,108,619 | 1,581,272 | 1,766,198 |

5. Exports of Copra and Cocoa.—The next table shows the respective quantities of copra and cocoa exported during the last five years :—

TERRITORY OF NEW GUINEA.—EXPORTS OF COPRA AND COCOA.

| Commodity. | 1929-30. | 1930-31. | 1931-32. | 1932-33. | 1933-34. |
|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Tons. 63,832 | Tons. 62,303 | Tons. 59,452 | Tons. 59,040 | Tons. 62,270 |
| Copra | 58 | 64 | 102 | 65 | 98 |
| Cocoa | | | | | |

Most of the copra is shipped direct to European or American ports.

§ 8. Shipping and Communication.

1. *General.*—A subsidized mail service between New Guinea and Australia is maintained by Burns, Philp and Co. Ltd. The vessels of the Eastern and Australian Steamship Co., which maintains a regular monthly service between Australia, China and Japan, have included Rabaul as a port of call. The Dutch Royal Packet Navigation Co.'s vessels, which maintain a service between Singapore and Australia, also call at Rabaul, and the "Norddeutscher Lloyd" has established a regular service between Hong Kong and Rabaul. Shipping within the Territory is regulated by the *Shipping, Ports, and Harbours Regulations.*

2. *Oversea Tonnage in 1933-34.*—The number and net tonnage of oversea vessels which entered and cleared the Territory during the year 1933-34 are shown hereunder :—

TERRITORY OF NEW GUINEA.—SHIPPING, 1933-34.

| Country from which Entered or for which Cleared. | Vessels Entered. | | Vessels Cleared. | | Total. | |
|---|------------------|----------------|------------------|----------------|------------|----------------|
| | Number. | Tonnage. | Number. | Tonnage. | Number. | Tonnage. |
| Australia | 52 | 170,973 | 45 | 142,412 | 97 | 313,385 |
| British Solomon Islands | 13 | 6,084 | 13 | 6,574 | 26 | 12,658 |
| China | 12 | 14,366 | 11 | 12,896 | 23 | 27,262 |
| Europe | 2 | 6,053 | 17 | 51,094 | 19 | 57,747 |
| French Indo-China | 9 | 19,656 | .. | .. | 9 | 19,656 |
| Japan | 12 | 51,755 | 12 | 51,583 | 24 | 103,338 |
| Other Countries | 7 | 11,887 | 7 | 13,366 | 14 | 25,253 |
| Total | 107 | 280,774 | 105 | 278,525 | 212 | 559,299 |

Among the 107 vessels which entered from external ports during 1933-34 there were 70 vessels representing 216,946 tons, British nationality; 18 vessels of 19,912 tons were German; 2 vessels of 7,559 tons were Norwegian; 6 vessels of 11,076 tons were Dutch; the remainder were of Swedish, American, Danish, Japanese and French nationalities.

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

4. *Land Communication.*—Means of communication on land are scanty. There are no railways. Roads lead from Rabaul to places within 30 or 40 miles, and there is a road 170 miles long in New Ireland. Elsewhere there are few roads outside plantations and the stations of the District Officers. The large rivers of the mainland are as yet but little used.

There is a high power wireless station at Bita Paka near Rabaul, and low power installations at the out-stations, including Salamaua and Wau.

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

§ 9. Revenue and Expenditure.

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

TERRITORY OF NEW GUINEA.—REVENUE.

| Item. | 1932-33. | 1933-34. |
|--|----------|----------|
| | £ | £ |
| Revenue from Taxation (direct and indirect) .. | 230,082 | 273,147 |
| Revenue from Public Services and undertakings .. | 29,988 | 23,446 |
| Other receipts | 61,847 | 53,764 |
| | 321,917 | 350,357 |

2. **Expenditure.**—The expenditure for the financial year 1933-34 was distributed as follows:—

TERRITORY OF NEW GUINEA.—EXPENDITURE, 1933-34.

| | £ | | £ |
|--|--------|---------------------------|---------|
| Secretary and Central Administration | 11,806 | Trade and Customs | 8,002 |
| Justice | 2,909 | Agriculture | 11,862 |
| Treasury | 38,965 | Public Health | 61,526 |
| Audit | 4,294 | District Services | 108,850 |
| Lands and Survey | 31,560 | Miscellaneous | 7,693 |
| Police and Prisons | 14,770 | | |
| Public Works | 46,580 | Total | 348,817 |

NAURU (Mandate).

1. **General.**—Nauru is an oval-shaped atoll about 12 miles in circumference having an area of about 5,400 acres, of which approximately four-fifths is phosphate-bearing. It is situated in long. 166° E., and is 26 miles south of the Equator. Portion of the island between the sandy beach and the coral cliffs is fertile, and it is there that the Nauruans reside. With the exception of a small fringe round an inland lagoon, the plateau which contains the phosphate deposits possesses few food plants and is uninhabited, but portion of the area has been planted with fruit trees. The system of land tenure is governed by an old custom, and, with the exception of small allotments held by the Government, the British Phosphate Commissioners and Missions, the whole of the island is owned by individual natives. The average shade temperature ranges between 72 and 95° F., and the average humidity between 70 and 80. The average rainfall is 85 inches, but droughts occasionally occur, and in 1916 and 1917 only 40 inches were received for the two years. In 1934 the rainfall was only 35.28 inches.

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

In November, 1914, Nauru was occupied by a detachment from the Australian Naval and Military Expedition at Rabaul, and it was included in the cession of colonies made by Germany in 1919 to the Allied and Associated Powers, whose representatives agreed that a mandate for its administration should be conferred upon His Britannic Majesty. The mandate, which is in similar terms to that for the Territory of New Guinea, was confirmed by the Council of the League of Nations on the 17th December, 1920. On 2nd July, 1919, the British, Australian, and New Zealand Governments agreed that the administration of the island (which, since 1915, had been in charge of an official appointed by the British Colonial Office) should be vested in an Administrator who entered on duty in June, 1921. The first Administrator was appointed for a term of five years by the Australian Government; his term of service having expired, it was extended for another five years, but he resigned in 1927. The second Administrator was appointed in June, 1927. The third Administrator was appointed by the Commonwealth of Australia in January, 1933. The Agreement between the three Governments was approved by the Commonwealth Parliament in the *Nauru Island Agreement Act 1919*, and is printed in the Schedule to that Act. A supplementary agreement concerning Nauru was drafted in May, 1923, and ratified by the Commonwealth Parliament by the *Nauru Island Agreement Act 1932*.

3. **Administration.**—The Administrator has all the powers of government—administrative, legislative, and judicial—in the island. All expenses of administration are met from local revenue. Native industries such as canoe-building, fishing, mat-making, etc., are encouraged by the provision of prizes at annual competitions. An agency of the Commonwealth Savings Bank has been established. There is a co-operative store managed to a large extent by the natives. The books however, are audited by Government officers. Natives are not allowed to carry or be in possession of firearms, and the use by them of intoxicating liquors and deleterious drugs is prohibited.

4. **Population.**—Figures for population on 1st April in each of the years from 1931 to 1935 are given hereunder :—

NAURU.—POPULATION.

| Population. | 1931. | 1932. | 1933. (b) | 1934. | 1935. |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| Europeans | 147 | 141 | 165 | 163 | 158 |
| Chinese | 1,105 | 696 | 936 | 933 | 931 |
| Nauruans (a) | 1,426 | 1,475 | 1,527 | 1,567 | 1,603 |
| Other Pacific Islanders .. | 14 | 4 | 13 | 14 | 4 |
| Total .. | 2,692 | 2,316 | 2,641 | 2,677 | 2,696 |

(a) The natives of Nauru are Micronesians. (b) Census, 30th June, 1933.

Births in 1934 numbered 59 (58 Nauruans). There were 15 marriages (13 Nauruan), and 35 deaths (33 Nauruans, 1 Chinese, 1 other Pacific Islander).

5. **Health.**—Cases of the usual diseases known in the Pacific occur. Venereal disease is rare, but filariasis is common, and elephantiasis is occasionally met with. An area has been set apart for the segregation of lepers, and the latest methods of treatment are applied. In 1934, there were 64 lepers in segregation. The treatment and control of leprosy have been very successful. Two hospitals are maintained on the island, one by the Administration for Nauruans, and one by the British Phosphate Commission for its employees. In common with other natives, the Nauruans are very susceptible to tuberculosis and influenza, and in 1921 an influenza epidemic caused the deaths of

230 Islanders. Dysentery, both amoebic and bacillary, is endemic. A regular anti-mosquito campaign is conducted. The usual steps have been taken by the authorities to improve the water supply and to provide efficient sanitation generally. Every Nauruan is required to undergo a medical examination once a month. Baby clinics have been established to give help and advice to Nauruan mothers in regard to infant nurture.

6. **Education.**—On the 1st October, 1923, the Administration took over the education of the Nauruans and other native children, and native schools were established in five districts, and at the leper station. Previously education had been looked after by the Missions subsidized by the Government. A school for European children is presided over by a teacher on loan from the Education Department of Victoria who also supervises educational matters generally. The curriculum is similar to that of corresponding schools in Australia, and the teaching is, as far as possible, wholly in English. Education is compulsory between the ages of six and sixteen. After the termination of ordinary school attendance, twelve months are devoted to technical training. The children in attendance at school in 1934 numbered 24 Europeans and 432 Nauruans. The schools are closed on two afternoons a week in order that the children may attend the classes in religious instruction conducted at the Mission churches. Educational classes for adults have been inaugurated. Units of the Boy Scouts and Girl Guides (Nauruan) have been established on the island.

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

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

9. **Phosphate Deposits.**—(i) *General.* From 1906 to 1919 the deposits were worked by the Pacific Phosphate Company, which also worked the deposits on Ocean Island (about 165 miles east of Nauru and part of the Gilbert and Ellice Islands Colony administered by the Colonial Office). The quantity on Nauru has been estimated at not less than 50,000,000 tons, and the exports average 85 per cent. to 88 per cent. of tricalcium phosphate.

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

(ii) *Royalty on Phosphate.* In an agreement entered into between the British Phosphate Commissioners and the Nauruan landowners in 1927 provision was made, *inter alia*, for the payment of a royalty of 7½d. per ton of phosphate exported, of which—

(a) 4d. per ton is paid to the Nauruan landowner concerned;

(b) 1½d. per ton to the Administrator for the benefit of the Nauruan people;

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

The rates specified above are to have effect for a period not exceeding 20 years on and from 1st July, 1927, but the royalty of 4d. per ton to the Nauruan landowners is subject to adjustment for the second, third and fourth five-yearly period by increasing or decreasing it pro-rata to any increase or decrease of the export price of phosphate. The royalty for the second five-yearly period was increased to 4¾d. per ton.

(iii) *Nauru and Ocean Island Phosphate Industry.*—The following table gives particulars regarding exports of phosphate during the last five years :—

NAURU AND OCEAN ISLAND.—EXPORTS OF PHOSPHATE.

| Year. | | | Total. | To Australia. | To New Zealand. |
|---------|----|----|---------|---------------|-----------------|
| | | | Tons. | Per cent. | Per cent. |
| 1929-30 | .. | .. | 499,456 | 74.74 | 25.26 |
| 1930-31 | .. | .. | 392,939 | 68.19 | 31.81 |
| 1931-32 | .. | .. | 434,858 | 63.30 | 33.90 |
| 1932-33 | .. | .. | 664,550 | 66.30 | 27.09 |
| 1933-34 | .. | .. | 556,802 | 63.83 | 26.97 |

From Nauru alone during the calendar year 1934 the export was 418,950 tons, of which 270,850 tons went to Australia and 148,100 tons to New Zealand.

(iv) *Accounts of Commission.* A statement for the five years ended June, 1934, is given hereunder.

NAURU AND OCEAN ISLAND.—SALES OF PHOSPHATE.

| Heading. | 1929-30. | 1930-31. | 1931-32. | 1932-33. | 1933-34. |
|--|----------|----------|----------|----------|----------|
| | £ | £ | £ | £ | £ |
| Receipts from Sales, etc. . . | 648,165 | 584,738 | 599,727 | 882,277 | 684,409 |
| F.o.b. cost, including interest on capital, sinking fund, etc. | 645,987 | 584,244 | 599,209 | 876,898 | 610,239 |

The amount due by the British Phosphate Commission to the partner Governments for purchase money and other capital sums was £3,666,457 on 30th June, 1921, and at 30th June, 1934, this had been reduced to £3,275,883. The contribution to the sinking fund paid by the Commission provides for interest at 6 per cent. and extinction of the capital sum in 50 years from 1st July, 1920.

(v) *Employees.* Apart from a limited number of Europeans and a few Pacific Islanders, the employees are Chinese engaged under a three years' contract. A few Nauruans are employed occasionally.

10. *Trade.*—In the Schedule to the Customs Tariff of Nauru the principal items of imports subject to duty are beer, spirits, tobacco and vehicles. The Schedule contains a fairly extensive free list, and all other goods not included in the free list are dutiable at 10 per cent. ad valorem. An export duty of 10s. per ton is levied on copra.

The British Phosphate Commissioners enjoy freedom from Customs duty for the materials and appliances serving for the exploitation of the phosphate, as well as for the provisions imported by the Commissioners for the feeding of the employees and workmen engaged therein. The Tariff rates apply to all countries alike. Information regarding imports and exports for the years 1930 to 1934 is appended :—

NAURU.—IMPORTS AND EXPORTS.

| Heading. | Year ended 31st December— | | | | |
|-----------|---------------------------|---------|---------|---------|---------|
| | 1930. | 1931. | 1932. | 1933. | 1934. |
| Imports | £ | £ | £ | £ | £ |
| | 143,416 | 108,729 | 95,739 | 97,684 | 98,085 |
| Exports— | tons. | tons. | tons. | tons. | tons. |
| Phosphate | 271,255 | 245,165 | 418,180 | 363,680 | 418,950 |

11. Revenue and Expenditure.—The revenue and expenditure of the Administration during the years 1930 to 1934 were as follow :—

NAURU.—REVENUE AND EXPENDITURE.

| Heading. | Year ended 31st December— | | | | |
|-------------------|---------------------------|-------------|-------------|-------------|-------------|
| | 1930. | 1931. | 1932. | 1933. | 1934. |
| Revenue | £ 18,742 | £ 16,206 | £ 20,235 | £ 19,779 | £ 19,798 |
| Expenditure | £ 15,532 | £ 16,904 | £ 15,435 | £ 18,748 | £ 19,738 |

Of the revenue in 1934, £10,449 was royalty on phosphate, £4,097 consisted of customs receipts, £1,277 of capitation taxes, and £203 of harbour dues and shipping fees. The total credit balance on the 31st December, 1934, amounted to £26,739.