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CHAPTER XV.

THE TERRITORIES OF THE COMMONWEALTH.

A. GENERAL.

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

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

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

2. **Forms of Executive Government.**—The Territories differ in their forms of Government. Papua is administered by a Lieutenant-Governor and a nominated Executive Council, who, except in matters of high policy and in certain matters prescribed by law, are not controlled by the Commonwealth Government; the Northern Territory, Norfolk Island, and the Territory of New Guinea are each under an Administrator who is controlled by the Commonwealth Government; in the Federal Capital Territory, some local institutions under the law of New South Wales continue, otherwise the Federal Capital Commission has definite responsibilities in regard to the government; in Nauru the Executive Government is vested in an Administrator who is subject only to the general control of the Government controlling the Administration.

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

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

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

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

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

and annual volumes of the State of South Australia : Ordinances made by the Governor-General are published in the *Commonwealth of Australia Gazette*, and regulations under Ordinances in the *Northern Territory Gazette*. The laws in force in Norfolk Island at the time of its coming under the control of the Commonwealth were collected in the *New South Wales Government Gazette* of 24th December, 1913, and printed separately as "The Consolidated Laws of Norfolk Island"; Ordinances made by the Governor-General, and regulations made by the Administrator, are published in the *Commonwealth of Australia Gazette*. Ordinances made by the Governor-General for the Federal Capital Territory are published in the *Commonwealth of Australia Gazette*. Ordinances made by the Governor-General for the Territory of New Guinea are published in the *Commonwealth of Australia Gazette*, and Regulations made by the Administrator in the *New Guinea Gazette*; the statute law in force in New Guinea on 31st December, 1922, has been published as Vols. I.-III. of "Laws of the Territory of New Guinea," and subsequent Ordinances and regulations will be collected in annual volumes. Ordinances made by the Administrator of Nauru are promulgated locally and are printed in the annual report to the League of Nations on the Administration of Nauru.

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

The sum expended by the Commonwealth Parliament in 1923-24 for the Territories outside the Commonwealth was £82,639, exclusive of £52,953 for mail services to these Territories and to other islands in the Pacific.

B. THE NORTHERN TERRITORY.

§ 1. Area and Population.

1. **Introductory.**—Upon the extension of New South Wales westward to the 129th meridian in 1827, the Northern Territory was incorporated in that colony (see Chapter I.), and in 1863 was annexed by Royal Letters Patent to the province of South Australia. With the adjacent islands, it was transferred to the Commonwealth on 1st January, 1911.

2. **Area and Boundaries.**—The total area of the Territory is 523,620 square miles, or 335,116,800 acres. Its length from north to south is about 900 miles, while its breadth from east to west is 560 miles. Its eastern boundary, dividing it from Queensland, is the 138th meridian of east longitude; and its western boundary, separating it from Western Australia, the 129th meridian. Its southern boundary is the 26th parallel of south latitude, dividing it from South Australia. The northern boundary is the coast line of those parts of the Indian Ocean known as the Timor and Arafura Seas. Near the mouth of the Wentworth River, in the Gulf of Carpentaria, the coast line is met by the eastern boundary; at Cape Domett, near Cambridge Gulf, the western boundary cuts the northern coast line. The length of coast line is about 1,040 miles, or 503 square miles of area to one mile of coast line; an exact survey has, however, not yet been made.

3. **Population.**—(i) *Europeans.* The problem of increasing the European population of the Northern Territory is one of considerable difficulty. Its solution will, of course, depend on the economic development of the country, and past experience tends to show that the task of developing its resources will involve large expenditure. At the Census taken in 1881 there were only 670 Europeans in the Territory. The total increased slowly, reaching its maximum in 1919 with 3,767 persons. Owing mainly to the closing down of the meat works at Darwin a decline then took place, and at the Census taken in 1921 the white population had decreased to 2,459, while at the end of 1924 it was approximately 2,250. During the financial year 1923-24 the number of births exceeded that of deaths by 15; but simultaneously the number of departures by sea exceeded that of arrivals by 24.

(ii) *Asiatics.* With the exception of a few Japanese, Filipinos and others, the Asiatics in the Northern Territory consist mainly of Chinese. The South Australian Government

introduced 200 Chinese in the early seventies to assist in the promotion of agriculture, while the discovery of gold resulted in many others coming on their own account. Their numbers increased considerably in connexion with the construction of the railway from Darwin to Pine Creek, in 1887–88, and there were at that time upwards of 4,000 Chinese in the Territory. The total gradually dwindled thereafter, and the number at the Census of 1921 was only 722. The total number of all non-European persons (excluding Aborigines), is approximately 1,020.

(iii) *Total Population.* The highest recorded population of all races, except aborigines, was 7,533 in 1888, at the end of 1924 it was 3,597. The estimated population for the last five years is given in the following table:—

**NORTHERN TERRITORY.—POPULATION (EXCLUSIVE OF ABORIGINES),
1920 TO 1924.**

Year ended 31st December—				Males.	Females.	Total.
1920	..	..	..	2,911	1,078	3,989
1921	..	..	..	2,718	1,016	3,734
1922	..	..	..	2,540	1,011	3,551
1923	..	..	..	2,527	1,028	3,555
1924	..	..	..	2,538	1,059	3,597

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

(iv) *Movement of Population.* The following is a summary of movement of population in 1924 (excluding overland migration):—

NORTHERN TERRITORY.—MOVEMENT OF POPULATION, 1924.

Inwards ..	..	496	Outwards ..	..	467	Excess of immigration over emigration ..	29
Births ..	..	57	Deaths ..	..	44	Excess of births over deaths ..	13
Increase ..	..	553	Decrease ..	..	511	Net increase ..	42

The immigration and emigration of the Territory for the five years ending in 1924 are shown in the following table:—

NORTHERN TERRITORY.—MIGRATION, 1919 TO 1924.

Year.				Immigration.	Emigration.
1920	..	..	..	606	1,161
1921	..	..	..	516	770
1922	..	..	..	406	599
1923	..	..	..	438	468
1924	..	..	..	496	467

(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). It deals with such matters as theories of origin, physical characteristics, manners, customs, religion, &c. The chapter "Population," in Year Book No. 17, contained information regarding (a) the efforts made from time to time, in the various colonies, to arrive at the number and distribution of aborigines; (b) their approximate number at the taking of the Census in 1921, and (c) measures taken by the States (in the case of the Northern Territory, by the Commonwealth) to protect and preserve the aborigines. In the Northern Territory large numbers of the aborigines are still outside the influence

of Europeans. At the last Census, 2,050 full-blood aborigines, in the employ of whites or living in the vicinity of European settlements, were enumerated. Of these 1,184 were males and 866 females. The total number of aborigines in the Territory at 30th June, 1924, was estimated at 20,700. The greatest difficulty which confronts the Administration in dealing with the natives is due to the circumstance that they are nomads, without fixed abode, merely wandering about hunting for native food within the limits of their tribal boundaries, and making no attempt at cultivation or other settled industry. In their natural state, compared with those of other tropical countries, the natives are very healthy, but in contact with new settlers, white or Chinese, they rapidly fall victims to disease, and to degradation from drink or opium.

§ 2. Legislation and Administration.

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

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

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

2. **Administration.**—A Resident Administrator, vested with supreme authority in internal affairs, was appointed in the Department of the Minister for External Affairs in February, 1912. The following Departments of the Public Service, however, are removed from his control and supervision:—Railways, Posts and Telegraphs, Customs, Taxation, Public Works, and Quarantine. The Railways are controlled by the Commonwealth Railway Commissioner at Melbourne, Posts and Telegraphs by the Deputy Postmaster-General at Adelaide, Customs by the Collector of Customs at Brisbane, Taxation by the Taxation Department at Melbourne, Public Works by the Works and Railways Department, Melbourne, and Quarantine by the Director-General of Health for the Commonwealth, Melbourne.

3. **Northern Territory Ordinances.**—The main provisions of the Ordinances passed are as follows:—The powers and duties of the Administrator vested in the appointee, include custody of the public seal, appointment and suspension of officials, and execution of leases of Crown lands. A Supreme Court with original and appellate jurisdiction is instituted, the method of appointment of the Judge is prescribed, and provision is made for trial by jury, and for the registration and summoning of jurors. A Sheriff, a Registrar-General, and a Health Officer are provided for, also the registration of births, marriages and deaths, and of deeds and documents. Custody and control of aborigines, with extensive powers of supervision, are vested in the Chief Protector. Provision is made for the control of fisheries. Birds protected during the whole or part of the year are scheduled. Crown lands are classified, and their mode of acquisition, entry and holding defined. The prevention and eradication of diseases in plants have been provided for. Under the Stock Diseases Ordinance the Chief Inspector of Stock has wide powers in regard to the movements of stock, prevention and control of diseases, etc. A town council has been constituted for Darwin, and provision made for assessments, rates, etc. Mining is encouraged by the provision of rewards for the invention of new processes and the discovery of valuable deposits and of new mineral fields; subsidization of the industry and the issue of prospecting licences are also provided for. Licences to search for mineral oil, and leases for working, are available. A Board is constituted for the purpose of making advances to settlers who intend to improve and stock their holdings, to purchase farm implements, plant, etc., or to pay off mortgages, the rate of interest and terms of repayment being set out. Advances in aid of the erection of workmen's dwellings have also been provided for. A Council of Advice has been provided for, consisting of a chairman and seven members—four being non-official. Provision has

been made for the compensation of injured workers, for controlling the sale, etc., of necessary commodities, for the appointment of a public trustee, and for amendment of the "Taxation Act 1884" of South Australia in its application to the Territory. A new Land Ordinance was passed in May, 1923, which repealed the then existing Ordinances. Reference to this Ordinance is made in Chapter V.—Land Tenure and Settlement. Reference to the Liquor Ordinance was made in Year Book No. 16, p. 640. For Ordinances passed in 1924 see § 6, Chapter III.

4. Representation in Commonwealth Parliament.—Section 122 of the Commonwealth Constitution provides that "the Parliament may make laws for the government of any territory . . . and may allow the representation of such territory in either House of the Parliament to the extent and on the terms which it thinks fit." In pursuance of this provision an Act was passed in 1922 whereby the Northern Territory elects a member to the House of Representatives. As this member represents a very small number of electors, he is not entitled to vote, but may take part in any debate in the House.

§ 3. Physiography.

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

2. Contour and Physical Characteristics.—The low flat coast line seldom reaches a height of 100 feet. Sandy beaches and mud flats, thickly fringed with mangroves, prevail. Sandstone, marl, and ironstone form the occasional 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, p. 77; the islands in Year Book No. 5, pp. 71, 72, and the mineral springs in Year Book No. 6, p. 65.

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

§ 4. Climate, Fauna and Flora.

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

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

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

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

§ 5. Production.

1. **Agriculture.**—Up to the present agriculture has made little progress in the Territory, although it has been proved that various industrial plants thrive. This is the case with rice, tobacco, coconuts, mangoes, cotton, various fodder plants and peanuts. 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. Tobacco has been successfully grown in small plots, but this crop needs skilled handling as regards planting and curing, and the position has so far not justified the employment of an expert. Some 5 miles from Darwin a coconut plantation, about six acres in area, is thriving, and at a small plantation at Shoal Bay the palms planted along the sea-shore are giving excellent results. There is a large stretch of first-class coconut land on the coast, but hitherto planting has not been attempted on a commercial scale. Cotton was planted in 1924 by settlers at Stapleton, Grove Hill, Daly Rivers, Pine Creek, and the Katherine, and there were experimental plots at Mataranka, Borroloola, and on the lower Roper River. The season, however, was unfavourable, owing to inadequate and badly distributed rainfall, and the year's crop amounted to only 7,000 lb. of seed cotton. The peanut crop also suffered from the unfavourable season, but results obtained in previous years show that several localities in the Territory are well suited for its cultivation. Fodder plants are not grown to any great extent. On the Katherine River experiments are being made with lucerne, and the results so far show that, with irrigation and good farming, this useful fodder plant may be established. A Primary Producers' Board, supported by the Government, was founded in 1923, with the object of relieving distressed settlers, and a small number of families have been settled on land suitable for agriculture.

2. **Pastoral Industry.**—The pastoral possibilities of certain parts of the Northern Territory were recognized at an early date, and in 1866 stock was brought into the Macdonnell Range country from South Australia. Six years later cattle were brought from Queensland to the northern parts of the Territory, and in 1879 Mr. Giles reached the Katherine River with 2,000 head of cattle and 12,000 sheep from South Australia. For various reasons sheep-raising did not succeed. It is, however, hoped that with a more regular supply of artesian and sub-artesian water, and the building of railways, parts of the Territory will become profitable sheep country. The cattle industry progressed slowly, and the number of cattle on 30th June, 1924, was about 843,700. A great impetus was given to this industry in 1917 by the opening of extensive meat works at Darwin. Unfortunately the works closed down in 1920, and the practice was resumed of over-landing surplus stock to neighbouring States. The number of cattle exported by land during the financial year 1923–24 was 76,510, compared with 48,939 during the previous year, and that of horses about 1,000. The cattle industry has been retarded by the ravages of ticks and by the difficulty of travelling stock through waterless country. These difficulties are, however, gradually being overcome, the former by the introduction of the practice of “dipping,” and the latter by adding to the number of artesian wells on the various stock-routes and the creation of stock reserves. Horses thrive well, and in 1924 there were about 44,600 horses in the Territory. Buffaloes thrive in the coastal districts, but their number has been greatly reduced through indiscriminate shooting for the sake of the hides, of which 2,261 were exported during 1923–24.

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

NORTHERN TERRITORY.—LIVE STOCK, 1910, 1915, AND 1921 TO 1923.

Year.	Horses.	Cattle.	Sheep.	Pigs.	Goats.	Camels.
1910	24,509	513,383	57,240	996	..	..
1915	19,957	483,961	57,827	500	..	..
1921	39,565	568,031	6,349	452	19,385	494
1922	39,845	760,766	6,161	361	18,086	470
1923	44,603	843,718	4,728	647	25,647	579

3. *Mining.*—(i) *General.* Alluvial gold-digging in the Northern Territory commenced in 1869, and up to the end of 1880 gold to the value of £79,022 had been produced. In 1881 the gold production reached its maximum, the value for that year being £111,945. During the following years it fluctuated considerably, but as long as the alluvial fields lasted the output was satisfactory. In the transition period from alluvial to reef mining the industry declined considerably, and the output dwindled from year to year, reaching its lowest ebb in 1921–22, when the value amounted to only £540. The production of metals other than gold has suffered from vagaries of prices, and from the disadvantages of high cost of transport and of white labour. The year 1923–24 showed an improvement in regard to the production of gold, but there was a falling off in the yield of tin. Gold-mining was carried on chiefly at Fletcher's Gully, and tin at Marranboy. The number of gold-mining leases in existence on 30th June, 1924, was 29, comprising an area of 958 acres, and 36 mineral leases for 1,380 acres.

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

NORTHERN TERRITORY.—VALUE OF MINERAL PRODUCTION, 1919–20 TO 1923–24.

Year.	Gold.	Tin Ore.	Wolfram.	Silver-Lead Ore.	Copper Ore.	Mica.	Total Value all Minerals.
	£	£	£	£	£	£	£
1919–20	5,282	27,610	45,648	299	780	482	80,101
1920–21	1,299	7,793	9,752	..	..	159	19,003
1921–22	540	5,891	560	..	798	2,170	9,959
1922–23	743	13,887	18	..	30	1,926	16,612
1923–24	2,988	12,855	..	..	239	2,718	18,856

(iii) *Coal and Mineral Oil.* At the end of 1922–23 there were in force 205 licences to search for coal and mineral oil, but, as they were in the main held for speculative purposes, the majority were forfeited owing to non-payment of rent. Licences existing at 30th June, 1924, numbered 55, covering an area of 17,779 square miles. Prospecting so far has been confined to boring undertaken by a company at Elcho Island.

4. *Pearl, Trepang, 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. Subsequently, however, the opening up of new patches led to a revival, but the outbreak of war gave the industry a setback, owing to the limited demand in the home markets. During 1923–24 31 cwt. of pearl shell were exported to the United Kingdom. The territorial waters teem with marketable fish, and, despite inadequate transport facilities, a commencement has been made with a trade in fish, dried or otherwise preserved, and exports to the value of £3,381 were forwarded to British Malaya and China in 1923–24.

§ 6. Land Tenure.

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

§ 7. Commerce and Shipping.

1. *Trade*.—No record is kept of the direction of trade between the Commonwealth States and Territories. The value of the direct oversea trade for 1901 and for each of the years 1919–20 to 1923–24 is given hereunder :—

NORTHERN TERRITORY.—VALUE OF DIRECT OVERSEA TRADE, 1901 AND 1919–20 TO 1923–24.

Items.	1901.	1919–20.	1920–21.	1921–22.	1922–23.	1923–24.
	£	£	£	£	£	£
Imports	37,539	29,056	19,857	12,115	12,804	14,432
Exports	29,191	277,627	14,752	5,036	14,627	8,000
Total	66,730	306,683	34,609	17,151	27,431	22,432

The principal items of oversea export in 1923–24 were smoked and dried fish, £3,381, cattle £2,615, and hides £1,266. The comparatively large figures for the year 1919–20 were due to the export of products from the meat works at Darwin. Since the closing of these works in 1920 most of the surplus stock of cattle has, as previously stated, been overlanded to neighbouring States.

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

NORTHERN TERRITORY.—SHIPPING, 1919–20 TO 1923–24.

Period.	Arrivals.		Departures.	
	No. of Vessels.	Tonnage.	No. of Vessels.	Tonnage.
1919–20	41	83,086	43	83,264
1920–21	30	65,301	30	65,398
1921–22	32	93,421	30	84,835
1922–23	37	99,955	37	99,955
1923–24	35	96,099	34	96,004

The foregoing figures are exclusive of particulars of coastwise shipping. During 1923–24, 38 vessels of 613 tons net were entered as coastwise.

§ 8. Internal Communication.

1. *Railways*.—Under the agreement ratified by the Act, the Commonwealth is to construct the Northern Territory portion of the transcontinental railway line (connecting Adelaide and Darwin, via Port Augusta).

The Northern line from Adelaide terminates at Oodnadatta, about 100 miles south of the southern boundary of the Territory. The only line at present in the Territory is one from Darwin to Emungalan, Katherine River, a length of 198.68 miles, of 3 ft. 6 in. gauge. The line to connect Katherine River with Oodnadatta (about 1,012 miles) has been surveyed, the greater part of the survey being exploratory in character. The construction of the section between Emungalan and Daly Waters has been authorized by the Commonwealth Government at a cost not to exceed £1,545,000. It is hoped that the railway bridge across the Katherine River will be completed in 1925, when the section referred to will be laid down. The completion of the remainder of the gap would permit

of the development of the broad belts of pastoral and mineral country towards the centre of Australia. The Commonwealth also acquired on 1st January, 1911, the property in the line from Port Augusta to Oodnadatta (478 miles).

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

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

High-power wireless stations are under construction 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, 1923-24.**—In the Commonwealth finance statements separate accounts are given for Northern Territory administration. The following shows the receipts and expenditure for the financial year :—

REVENUE AND EXPENDITURE.—NORTHERN TERRITORY, 1923-24.

REVENUE.	£	EXPENDITURE.	£
Customs and Excise ..	5,028	Salaries and Contingencies ..	113,078
Postal, Telegraph, and Telephone ..	7,081	Northern Territory Railways	31,280
Darwin-Katherine River Railway ..	16,461	Melbourne Administrative Services ..	3,737
Territorial ..	18,954	Interest and Sinking Fund, Northern Territory Loans ..	114,276
Land and Income Tax ..	3,051	New Works, Artesian Bores, Roads, etc. ..	15,432
Quarantine ..	85	Miscellaneous, Maintenance, and Repairs ..	25,331
Lighthouses and Light Dues ..	58		
Stamp Duties ..	584		
Miscellaneous ..	8,070		
Deficiency on year's transactions ..	243,762		
Total ..	303,134	Total ..	303,134

2. **Northern Territory Debt.**—The items making up the total debt of the Territory as at 30th June, 1924, are as follows :—

	£	£
Debt at date of transfer to the Commonwealth, 1st January, 1911 ..	..	3,931,086
Redeemed under Commonwealth Loan Acts ..	1,261,617	1,722,367
Redeemed from Consolidated Revenue ..	460,625	
Redeemed from Sinking Fund ..	125	
Balance, 30th June, 1924 ..	..	2,208,719

In addition, the balance of the Port Augusta-Oodnadatta Railway Loans taken over from South Australia amounted at the same date to £1,670,432, making a total of £3,879,151. Under the provisions of the "Northern Territory Acceptance Act 1910" a sinking fund has been established in connexion with the transferred loans.

C. THE FEDERAL CAPITAL TERRITORY.

1. **Introductory.**—In Year Books Nos. 4 and 5, information was given in Section XXXI. as to the events leading to the selection of the Federal Capital Territory, and as to the necessary legislation and the progress of operations in connexion with the establishment of the capital city. The physiography of the Territory was dealt with *in extenso*, and topographical and contour maps accompanied the letterpress, as well as reproductions of the premiated designs for the laying out of the city. Considerations of space, however, preclude the repetition of this information. On the 12th March, 1913, the official ceremony to mark the initiation of operations in connexion with the establishment of the Seat of Government was carried out. At this ceremony the selection of "Canberra" as the name of the capital city was announced.

2. **Administration.**—For some years after the inception of activities, both the administration of the Territory and the construction of the City were entrusted to the Department of Home Affairs. In November, 1916, owing to a re-arrangement of responsibilities, two Departments became concerned in Federal Capital matters—the Department of Home and Territories taking over the administration of local government, lands, and similar matters; and the Department of Works and Railways assuming control of constructional development. This joint administration continued until the end of 1924.

In the early part of 1921, "with a view to enabling the Federal Parliament to meet, and the Central Administration of the Commonwealth Government to be carried on as soon as practicable at Canberra," an Advisory Committee of five members—consisting of architectural and engineering experts—was appointed under the control of the Minister for Works and Railways to submit a scheme for the progressive construction of the City. Its main proposals were accepted, and the controlling departments were guided by its recommendations until the expiration of their period of control.

In July, 1923, the ninth Parliament—whose triennial period would expire early in 1926—resolved that "His Excellency the Governor-General be respectfully requested to summon the first meeting of the tenth Parliament at Canberra." To expedite development sufficiently to enable that resolution to be given effect to, the Director-General of Works—who was a member of the Advisory Committee—was transferred from Melbourne to Canberra to exercise his personal supervision over the progress of construction.

In 1924, deciding that development generally had advanced sufficiently to require the constitution of an independent Commission to control the Territory, Parliament passed the 'Seat of Government (Administration) Act.' A Commission of three members—

J. H. Butters, Esq., C.M.G., M.B.E. (Chairman):

Sir John Harrison, K.B.E.: and

C. H. Gorman, Esq.:

was thereupon appointed, and assumed control on 1st January, 1925.

The powers and responsibilities of the Commission include the control and management of lands, the carrying out of works and building construction, and, generally, the municipal government of the Territory. Subject to Parliamentary and Ministerial authority, it has been empowered to raise loans for all the purposes of its administration.

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

The services of the Advisory Committee were retained until 30th June, 1925.

3. **Progress of Work.**—After an International Competition, a design for the layout of the Capital City was approved, and steps were taken to commence its construction in accordance therewith.

A survey of the main axial lines was carried out, areas for initial development were subdivided, and a scheme for impounding water on the Cotter River was completed. The construction of an outfall sewer was put in hand, the formation of the principal avenues was begun, and a power house was built and equipped in order that electricity might be transmitted to all activities connected with construction. An Afforestation Branch was established, which made exhaustive experiments in regard to suitable trees for street, park, and forest planting.

In 1916 activities were greatly curtailed owing to the Great War, and development was practically suspended until 1920.

After the appointment of the Advisory Committee in 1921 construction work was resumed in accordance with its general scheme, which provided that—owing to the change in the economic position, as a result of the War—works of a monumental and ornamental character be deferred, and that Parliament House and other buildings be of a provisional character.

Works were carried on in conformity with this programme until the Federal Capital Commission took control on the 1st January, 1925.

The Commission has continued the policy of developing the city according to the approved plan, devoting itself primarily to the completion of the basic engineering services and the official and residential accommodation necessary to enable the Seat of Government to be transferred during 1926.

The construction of main avenues and roads according to the approved plan is proceeding. Many miles have been formed, and a considerable portion metalled or gravelled. Surface treatment has been undertaken on certain arterial roads in the city area.

Residential areas are being laid out, and engineering services such as roads, sewerage, drainage, and water supply from the Cotter scheme, are being provided. The water supply and sewerage are being so arranged as to connect up with the main city services when completed. Water supply service reservoirs have been provided on Red Hill and Mount Russell, and mains through the city are being laid as required. The outfall sewer is completed, and the main intercepting sewers within the city boundary are under construction. Sewage treatment works are also being constructed at the outfall. Storm-water channels have been provided below Mount Ainslie and Red Hill to protect the adjacent residential areas. Electric lighting and power services have been extended to serve the residential districts and areas where various construction works are proceeding, many miles of transmission line having been erected. Fire services have been provided for the protection of buildings and depots. Several bridges have been constructed, the most important being across the Murrumbidgee River, near its junction with the Cotter, and across the Molonglo River in the city area, establishing connexion between the north and south sides of the city. The capacity of the power house is 1,350 kilowatts, and electrical energy is conveyed to the various factories where the manufacture of bricks, tiles, joinery, cement products, and other requirements is carried on.

Excavation of the site for the Provisional Parliament House was commenced towards the end of 1923, and the actual construction was begun in January, 1924. Satisfactory progress is being maintained with the object of its completion about the middle of 1926.

A departure from the scheme prepared by the Advisory Committee was approved in the case of offices for the Administrative Departments, a permanent building being decided upon instead of a group of structures of a provisional nature. As a result of an architectural competition a design has been selected for this building, and the project is now under the consideration of the Parliamentary Standing Committee on Public Works. As its completion before 1930 is not practicable a smaller building is being erected to house the sectional staffs of the various Departments which will be necessary at Canberra for the satisfactory functioning of Parliament.

A Government Printing Office, and accommodation for an Automatic Telephone Exchange are also being provided.

The temporary buildings provided at Acton in 1913 as Administrative Offices have been enlarged for the purposes of the Commission.

Proposals being developed include the provision of accommodation for the National Library, and other works and services necessary to enable all Departments of the Public Service to function primarily from Canberra as soon as possible after the transfer of the Seat of Government.

Accommodation for visitors has been provided by the erection of two hotels (Hotel Canberra and Hotel Ainslie). The former, which is situated near the Governmental Area, has accommodation for 200 guests; the latter can accommodate 80 persons. A third hotel is now in course of construction, and is due for completion in May, 1926; and a proposal to erect a fourth hotel has now received approval.

The provision of other residential accommodation is increasing in the various localities. Over 100 cottages have been constructed—mostly of brick—and the provision of an additional 150 is being undertaken.

As the result of the first auction sale of building leases—held in December, 1924—the construction of buildings for residential and shopping purposes has been undertaken by private enterprise.

The problem of accommodation for workmen during the period of initial construction has been met, to a certain extent, by the provision of approximately 150 portable wooden cottages in areas adjacent to the sites of the main building operations. About 100 houses of a more permanent character are shortly to be constructed, forming a Garden Suburb. Single men are accommodated in masses and camps.

Quarries to supply road-making and building material have been established; plant has been purchased for the manufacture of materials, road and sewer construction transport, etc.; and a light railway has been laid to facilitate the carriage of material and plant from stores, depots and brickworks to the various localities.

The survey work involved in land subdivision, road location, siting of buildings, and engineering works, has been carried out and is still in active progress.

Belts of trees for shelter, and various city parks have been planted, and the formation of avenues and streets and other ornamental features has been carried out, as well as a large amount of afforestation work on the outskirts of the city. Work in this direction is still proceeding concurrently with the formation of roads and the development of the various areas.

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

4. Lands.—(i) *In the Federal Capital Territory Proper.* Reference has been made in Chapter V. to the general conditions of land tenure in the Territory for the Seat of Government and to the area of alienated and leased land.

As considerable portions of the Territory lands are not required in connexion with the establishment of the City, large areas have been leased. These leases contain special conditions in regard to the extermination of weeds, and rabbits and other noxious animals. The lands are classified into three grades of agriculture and three grades of grazing lands. About 48,000 acres of these lands are at present leased to returned soldiers for periods varying from 5 to 25 years.

An important step was taken in regard to the land policy of the Territory when the first auction sale of City leaseholds was held on the 12th December, 1924, and 289 residential and 104 business sites were offered at Eastlake, Manuka Circle, Blandfordia, Red Hill, Civic Centre, and Ainslie.

Of these, 147 were immediately disposed of at prices representing in values from £6 to £58 per foot for business sites, and from 10s. to £3 4s. per foot for residential sites.

During the six months following the sale, an additional 35 blocks were leased, all the business sites being disposed of. Under the terms of the City Leases Ordinance each block is leased for a period of 99 years at a rental equivalent to 5 per cent. per annum of the unimproved capital value, as assessed by the Commission or bid at auction. The terms of the lease require the purchaser to commence the erection of a building on the site within two (2) years, and to complete it within three (3) years from the date of purchase.

Designs for the buildings are governed by regulations, and leases are not transferable until buildings have been erected on the land as prescribed.

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

5. Railways.—Canberra is connected with the railway system of New South Wales by a line 4½ miles long to Queanbeyan. This was opened for goods traffic on the 25th May, 1914, and for passenger traffic on the 15th October, 1923, and is being worked by the New South Wales Railway Commissioners for and on behalf of the Commonwealth.

A public railway station has been established at Eastlake near the Power House, and is the terminus of the existing line. An extension to the Civic Centre (2½ miles) was constructed, and was temporarily in use, but the destruction of a bridge over the Molonglo River prevents its use at present.

A daily passenger and goods service is in operation from Queanbeyan to Canberra, and special sidings have been constructed for use by contractors. At Molonglo Settlement, where many employees of the Commission are housed, a two-carriage platform has been constructed.

Extensions of the railway for constructional purposes have been made into various areas in the City, and these are used solely for the carriage of bricks and other heavy materials.

A trial survey of the Canberra-Jervis Bay line has been completed, and plans have been prepared to enable an estimate of the cost of the line to be obtained.

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

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

6. Population and Live Stock.—The estimated population on the 31st March, 1925, was 4,449. The live stock, according to the latest return, comprises:—Horses, 1,433; cattle, 6,085; sheep, 132,400; pigs, 434.

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

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

The Commission is at present considering the question of development of Secondary Schools by private enterprise, and the provision of a High School and Technical College.

8. Expenditure.—(i.) *General.* The capital expenditure on the Seat of Government during the period 1901-11 and in each year thereafter up to the 30th June, 1924, is set out in detail in the appended table:—

FEDERAL CAPITAL TERRITORY.—CAPITAL EXPENDITURE TO 30th JUNE, 1924.

Period.	Expenditure.						Total.
	Choosing Site.	Land Acquisition within Territory.	Land Acquisition outside Territory.	Queanbeyan to Canberra Railway.	Extension of Railway from Power House to Civic Centre.	Construction of Capital.	
	£	£	£	£	£	£	£
1901-11 ..	22,915	..	..	..	..	16,413	39,328
1911-12	68,026	68,026
1912-13	179,525	..	12,575	..	124,718	316,818
1913-14	180,488	..	30,605	..	221,028	432,121
1914-15	36,770	2,850	2,926	..	210,607	253,153
1915-16	127,537	295	995	..	167,384	296,211
1916-17	112,120	8,865	17	15,134	101,533	237,669
1917-18	90,419	285	763	3,497	4,233	99,197
1918-19	1,323	72	241	919	936	3,491
1919-20	11,968	..	20	Cr. 72	3,575	15,491
1920-21	1,816	..	..	4,189	78,489	84,494
1921-22	8,861	..	..	Cr. 20	140,075	148,916
1922-23	1,475	..	200	956	332,694	335,325
1923-24	1,442	..	..	..	437,350	438,792
Total ..	22,915	753,744	12,367	48,342	24,603	1,907,061	2,769,032

(ii) *Details.* Details of expenditure in connexion with the building of the Federal Capital are given hereunder for the latest three years available :—

FEDERAL CAPITAL.—EXPENDITURE ON CONSTRUCTION, 1922 TO 1924.

Particulars.	1921-22.		1922-23.		1923-24.	
	£	£	£	£	£	£
Buildings—						
Parliament House			8		42,420	
Hostels	215		13,620		62,914	
Cottages	34,741		16,488		47,584	
Primary Schools			6,447		2,817	
		34,956		36,563		155,735
Water Supply and Sewerage—						
Water Supply	4,810		46,724		23,960	
Sewerage	21,164		64,729		121,307	
Intercepting Channels	2,989		7,023		680	
		28,963		118,476		145,947
Roads and Bridges—						
Roads	21,059		75,993		48,832	
Bridges	11		4,207		17,479	
		21,070		80,200		66,311
Railways		395		837		5,390
Electric Light and Power (Power House and Mains)		4,354		6,205		5,199
Tree Planting		2,447		4,832		6,421
Miscellaneous Minor Works		1,445		4,181		12,646
Miscellaneous—						
Manufacturing and Trading Accounts	28,338		11,259 <i>Cr.</i>		8,765	
Suspense Account	1,543 <i>Cr.</i>		54,710		1,532 <i>Cr.</i>	
Plant	11,644		32,099		27,784	
Miscellaneous	7,514		5,850		4,684	
Incidental Works	492		..		..
		46,445		81,400		39,701
Total		140,075		332,694		437,350

9. **Revenue.**—The revenue of the Federal Capital Territory for the year ended 30th June, 1924, was £81,767.

10. **Military College.**—In June, 1911, a Military College was opened at Duntroon for occupation by the cadets and staff. Particulars regarding the establishment of this College may be found in Year Book No. 4 (p. 1159). Previous reference has been made to it in Chapter XIV. dealing with Defence.

11. **Naval College at Jervis Bay.**—See Chapter XIV. dealing with Defence.

D. NORFOLK ISLAND.

1. **Area, Location, etc.**—Norfolk Island, discovered by Captain Cook in 1774, is situated in latitude 29° 3' 45" south, longitude 167° 58' 6" east. Its total area is 8,528 acres, the island being about 5 miles long and 3 miles wide. From Sydney it is distant 930 miles, and from New Zealand 400 miles. The coast line is 20 miles, and its form

that of an irregular ellipse. Except on the south-west, inaccessible cliffs rise from the water's edge. The climate is equable, the temperature ranging between 56° and 82°, with a mean of 68°. The average annual rainfall is 55 inches. It has been said that the salubrious climate, coupled with the beauty of its land and sea scapes, should combine to render Norfolk Island "the Madeira of the Pacific." At present the island is visited annually by a fair number of tourists, but with improved shipping facilities the traffic would undoubtedly increase.

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

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

The descendants of the *Bounty* mutineers, having become too numerous to subsist on Pitcairn Island, were removed thence to Norfolk Island in 1856. The new community numbered 193—94 males and 99 females—and were the descendants of British sailors and Tahitian women.

3. **Administration.**—In 1856 the island was severed from Tasmania, and created a distinct and separate settlement under the jurisdiction of New South Wales. In 1896 it was made a dependency under the Governor of that Colony, and was administered by the Chief Secretary's Department through a resident Chief Magistrate, in whom was vested the executive government of the settlement, and the supervision of its penal affairs. In 1913, however, a Bill was passed by the Federal Parliament providing for the taking over of the island as a territory of the Commonwealth. The Act came into force on the 1st July, 1914, and the island is now administered by the Department of Home and Territories, Melbourne, through an Administrator and Chief Magistrate. There is an Advisory Council, consisting of twelve members, presided over by the Administrator. Six of the members are elected by the residents, and six are nominated by the Administrator. The powers and duties of the Council were laid down in Ordinance No. 2 of 1925. According to this Ordinance the Executive Council has the oversight of public roads and reserves, etc. It may transmit to the Administrator for submission to the Minister proposals for new Ordinances or for the repeal or amendment of existing ones, and it may make by-laws in connexion with local matters.

4. **Population.**—The population on 30th June, 1924, was 349 males and 377 females, a total of 726. There were 188 householders on the island. In the year 1923—24, 8 births, 3 deaths, and 2 marriages were recorded.

5. **Live Stock.**—The latest returns of live stock show that there are on the island 1,715 cattle, 617 horses, 223 sheep, and 178 pigs. In addition, there are 5,548 head of poultry.

6. **Production, Trade, etc.**—The soil throughout is rich, and is specially suitable for the cultivation of citrus fruits, bananas, and (in parts) coffee. Various other sub-tropical fruits thrive well. During 1923—24, the production of oranges was 40,000 bushels; bananas, 275,560 dozen; passion fruit, 6,475 bushels; coffee, 22,570 lb.; and pineapples, 620 dozen. There are many thousands of lemon trees and guavas growing wild throughout the island.

Large numbers of whales pass the island throughout the season, but owing to old-fashioned methods very few are captured. With the employment of up-to-date appliances the whaling industry might be of great importance. The preserved fish industry also offers a field for commercial energy; such fish as trevalla, kingfish, snapper, and many others, are plentiful. The "all red" cable from Great Britain via Vancouver,

Fanning Island, and Fiji, bifurcates at Norfolk Island, one line connecting with New Zealand, the other with Brisbane. A monthly steamship service between Norfolk Island and Sydney is carried on by Burns, Philp and Co.

IMPORTS AND EXPORTS, 1919-20 TO 1923-24.

Heading.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
	£	£	£	£	£
Imports	16,932	22,673	14,312	15,461	22,023
Exports	13,727	13,091	4,305	3,754	3,170
Total	30,659	35,764	18,617	19,215	25,193

7. **Social Condition.**—Education is free and compulsory up to the age of fifteen years. The school is under the New South Wales Department of Public Instruction, with standards corresponding to the State public schools, but the salaries and allowances of the teachers are paid by the Norfolk Island Administration. The number of scholars enrolled on the 30th June, 1924, was 136.

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

8. **Finances.**—The receipts and expenditure for the year 1923-24 were as follows:—

NORFOLK ISLAND.—RECEIPTS AND EXPENDITURE, 1923-24.

Heading.	Receipts.	Heading.	Expenditure.
	£		£
Brought forward ..	5,748	Salaries	3,401
Commonwealth Subsidy ..	3,500	Repairs of Government Buildings	199
Tariff Collections in Sydney ..	676	Landing Places, Signals, etc. ..	130
Interest on Funded Stock ..	108	New Work (Mission Land) ..	2,650
Postal Department ..	102	Miscellaneous	697
Fees, etc.	463	Purchase of Liquor	530
Sale of Liquor	788	Balance carried forward ..	3,778
Total	11,385	Total	11,385

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

E. NEW GUINEA.

1. THE ISLAND OF NEW GUINEA.

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

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

3. **Colonization.**—Little progress was made for many years in exploration and settlement. First the Portuguese, and afterwards the Dutch, who to a great extent replaced them as the principal European traders in the East, seem to have jealously excluded other traders and adventurers, and to have kept the knowledge of their discoveries to themselves. The coasts were visited by Roda, Schouten, Lemaire, Tasman, Dampier, Torres, Bougainville, and Cook; but the difficulties of navigation, the savagery of the islanders, and the tempting fields for enterprise in the more temperate regions further south, diverted the energy of traders and voyagers. Forrest describes a voyage by himself in 1774. In 1793, New Guinea was annexed by two commanders in the East India Company's service. Since that date the Dutch have made extensive surveys of the western portion, and the British and Germans have occupied and colonized the eastern. In September, 1914, German New Guinea was seized and occupied by Great Britain by means of a force raised and despatched by the Australian Government.

4. **Partition.**—The three colonizing powers agreed to the partition of New Guinea, each having suzerainty over islands adjoining its own territory. The whole of the portion west of the 141st degree of latitude, comprising about 150,000 square miles, or nearly half the island, belongs to the Dutch. The eastern half was divided in almost equal portions between Great Britain and Germany, the area possessed by each (with adjacent islands), being about 90,000 square miles. An Anglo-German boundary commission appointed for the purpose of defining the boundary between the territories of the two nations, started operations on 26th December, 1908, and completed the field-work on 27th October, 1909. The total length of boundary delimited was 66½ miles. The work was both important and difficult. For a considerable portion of the survey, the country was exceedingly rough and mountainous, and the natives hostile. In one instance, the line was carried over a range at an elevation of 11,110 feet. The Dutch colony forms part of the residency of Ternate in the Moluccas, and has not been extensively developed. The German protectorate, where considerable commercial development had taken place, included the northern part of the eastern half of the mainland, known as Kaiser Wilhelm Land, and the large islands of the Bismarck Archipelago and the Solomon Group, as well as nearly 200 smaller islands. The south-eastern portion of New Guinea, nearest Australia, is a dependency of the Commonwealth of Australia. The German Pacific protectorate was terminated in 1914.

2. PAPUA.

§ 1. General Description of Papua.

1. **Early Administration.**—Surveys of the east coast of New Guinea by Stanley, Yule, Blackwood, Moresby, and others, brought home to Queensland, and to Australia generally, the danger to her commerce which would result from foreign possession of the islands and coasts opposite to Cape York, and from the holding by a hostile power of the entrance to the splendid waterway inside the Barrier Reef. The mainland opposite the shores of Queensland east of the 141st meridian was therefore annexed by that colony in 1883, but the action was disallowed by the British Government. In 1884, however, a British protectorate was authoritatively proclaimed by Commodore Erskine over the region lying east of the 141st meridian as far as East Cape, with the adjacent islands as far as Kosman island. In the year following, an agreement with Germany fixed the boundaries between the possessions of the two countries, and to Great Britain was assigned the portion now known as Papua, lying between the extreme limits of 5° and 12° S., and 141° and 155° E. The British protectorate was subsidized by Queensland, New South Wales, and Victoria, and lasted until 30th September, 1888, when it was proclaimed a possession of the Empire. Its constitution was then that of a Crown colony, in association, however, with Queensland. Administration was in the

hands of a Lieutenant-Governor, aided by an Executive and a Legislative Council, and advised by a Native Regulation Board. Port Moresby, on the south coast, was made the head-quarters of the official establishment; a supreme court was established there, and magisterial courts in the districts; and an armed native constabulary force, under a European officer, was instituted for the maintenance of order. Native village constables, as well as native interpreters, warders, boats' crews, etc., are also employed by the Crown.

2. **Administration by Commonwealth of Australia.**—The Territory was placed under the authority of the Commonwealth on 1st September, 1906, by proclamation issued in pursuance of Letters Patent of the 18th March, 1902, and was accepted by the Commonwealth by the Papua Act 1905, which came into force by virtue of the proclamation aforesaid. The transfer was made under the authority of section 122 of the Constitution (see p. 35 hereinbefore). The Territory is now under the administration of the Commonwealth, but not included within it, and is divided into eleven magisterial districts.

3. **Physical Characteristics.**—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. From the eastern end of the territory rises a chain of mountains, which forms a great central ridge and attains its greatest altitude, as it extends westwards, in the Owen Stanley Range, the highest points of which are Mount Victoria (13,200 feet), Mount Scratchley, the Wharton Range, and Mount Albert Edward. The western end of the possession is for nearly 300 miles generally low and swampy for some distance along the coast. The whole territory is well watered. The great mountains and a large portion of the lower country are covered with forest. The islands are mountainous, and, with the exception of the low coral islands of the Trobriand Group, part of Murua, and a few others of small dimensions, principally of volcanic formation. The highest is Goodenough Island, 8,000 feet. The largest rivers of the mainland flow into the Gulf of Papua. The Fly River, with its tributaries, drains an extensive area of the territory of the Netherlands, as well as of the British. Its length in British territory is about 620 miles, and it is navigable by a steam launch for over 500 miles. Other important rivers are the Turama and the Purari. There are many excellent harbours. A map of the territory was published in Official Year Book No. 16, p. 665.

§ 2. Population.

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

WHITE POPULATION OF PAPUA, 1920 TO 1924.

YEAR ENDED 30TH JUNE.

1920.	1921.(a)	1922.	1923.	1924.
1,096	1,343	1,104	1,086	1,276

(a) The figure for 1921 is the Census return.

In 1924 births exceeded deaths by 20, while arrivals exceeded departures by 170.

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

It is not possible to make a reliable estimate of the number of natives, owing to the fact that much of the interior country is unexplored. The official estimate is 275,000. These speak many languages and dialects. The coloured population, other than Papuans, numbered on 4th April, 1921, 577, and included many mission teachers from Samoa, Fiji, and other Pacific Islands. On the same date, half-castes, with one of the parents a European, totalled 158. An Immigration Restriction Ordinance prohibits the immigration of persons who fail to pass the dictation test, or who are of bad character, or likely to become a charge upon the public. Exemptions may, however, be granted by the Lieutenant-Governor to persons of special skill required for employment as overseers or foremen.

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

1. *Native Labour.*—(i) *General.* The rights of both employer and labourer are conserved by the Native Labour Ordinances. Service on the part of the native is voluntary, and he must be justly treated, and properly housed and fed. Employers may recruit personally, or obtain their natives through a licensed recruiter. Contracts of service must be in writing entered into before a magistrate or other qualified officer, and the natives must be returned to their homes on completion of engagement. During the period of service the recruiter or employer is personally responsible for the native's welfare. Refusal to work after an engagement, or desertion from service, renders the labourer liable to imprisonment. On the other hand, a magistrate may terminate an engagement where unjust or harsh treatment by the employer is proved. The term of indenture must never exceed three years, and in the case of miners and carriers eighteen months is the limit, but re-engagements may be made. The magistrate must satisfy himself that the remuneration is fair, that the native is willing to undertake the service, and that there is no probability of unfair treatment or detention. Wages must be paid in the presence of an officer. A medicine-chest stocked with necessary drugs and first-aid instruments must be kept by all employers.

The number engaged under contract of service during the year ended 30th June, 1924, was 7,578, as compared with 6,277 in the preceding year. Natives employed casually for periods not exceeding three months numbered 1,466. The New Guinea Copper Mines Ltd. is the largest employer, with a labour force of about 1,000 men. There were 252 Papuans engaged in the fishing industry in Torres Straits at the end of the year. The recruiting of females for work on plantations or in mining is not permitted, but they are allowed to accompany their husbands. The demand for labour has not greatly increased during recent years, and as new districts have been opened up for recruiting there is a sufficient supply of native labour. On some of the coconut plantations the practice has been adopted of importing cattle to keep down the grass and other undergrowth, and this will reduce the number of natives employed in the work.

(ii) *Skilled Workers.* The number of Papuans employed in skilled labour is gradually increasing. Most of the launches in the Territory have Papuan drivers, and natives have in some cases been entrusted with the sole charge of valuable sailing vessels. Moreover, they look after machinery on estates, while in Port Moresby they drive motor-lorries, and undertake much of the carpentry work required by Europeans. A scheme of registration and certification of native engineer-mechanics is now in operation.

2. *Wages.*—The wage paid to a native under contract is seldom below 10s. per month, with rations. This is the usual wage also of a plantation labourer, but those engaged in mining frequently receive more. Domestic servants are paid from 10s. to 40s. per month, according to experience. Natives in charge of vessels owned by Europeans, and drivers of launches and motor lorries, receive from £3 to £10 per month. The total amount of wages due to natives paid off in 1923–24, according to the contracts of service, was £42,776.

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

The taxes collected in 1923–24 amounted to £16,410, bringing the credit balance of the fund to £45,191. On primary and technical education a sum of £5,051 was spent in subsidies to missions. An amount of £3,052 was utilized in connexion with the establishment and development of native plantations and preliminary expenses in regard to a rice mill. Other expenditure included £4,562 for medical purposes, and £932 for bonuses to mothers with more than four living children.

4. **Care of Half-caste Children.**—An Ordinance was passed on the 11th September, 1922, to provide for the care and maintenance of neglected half-caste children. The Ordinance provides that a sum of £26 per annum shall be paid to the Commissioner for Native Affairs by the adjudged father of the child until the child, if a boy, shall reach the age of 16 years, or, if a girl, 18 years.

5. **Health.**—During the year natives to the number of 2,052 were admitted to the hospitals. The chief complaints treated were yaws, ulcers, lung affections, and malaria. Two travelling medical officers and one European medical assistant are employed, and native medical assistants are being trained by them. The work done by the travelling officers consisted chiefly of dealing with cases of yaws, by means of the latest arsenical drugs, the distribution of hookworm treatment, and the control of venereal diseases. In all 2,233 cases of yaws, 22,996 cases of hookworm, and 90 cases of venereal disease were treated by the travelling staff. Out of an average of 7,000 native labourers employed by Europeans, 126 died, as compared with 117 during the previous year.

6. **General.**—On the 30th June, 1924, there were 240 accounts operated by Papuans in the Commonwealth Savings Bank. These had a total value of £1,742. The applications for aid during the year from infirm and destitute natives were covered by an expenditure of £78. This amount was obtained from a fund, provided by the *Papuan Act* 1905, for relieving distress amongst deserving natives.

§ 4. Land Tenure.

1. **Method of Obtaining Land.**—(i) *The Land Laws.* The broad principles upon which the land laws of Papua are based are :—(a) No land can be alienated in fee simple ; (b) the rental of the land leased is assessed on the unimproved value and is subject to reassessment at fixed periods.

A detailed account of the method of obtaining land was given in Official Year Book No. 6, pp. 1083–4.

(ii) *The Leasehold System.* With a view of attracting pioneer settlers, an ordinance was passed in 1906 under which leases were granted on very liberal terms. No rent was payable for the first ten years, the heavy expense of survey was borne by the Government, and no charge was made for the preparation and registration of the leases, that is to say, no payments whatever had to be made to the Government for ten years. Under this system, the area under lease increased in four years from 2,089 acres to 363,425 acres ; about 140 plantations were started, and nearly 1,000 acres planted during that period.

After allowing free survey for three years, it was decided that all future applicants for agricultural leases exceeding in area 100 acres should be required to pay the cost of survey. It was also found desirable to check a tendency amongst a proportion of land applicants to obtain areas so great that the improvement conditions could not be carried out. It was therefore enacted that no leases should be granted after 1st June, 1910, exceeding 5,000 acres in extent, and that rent at the rate of 3d. per acre must be paid from the commencement of all leases exceeding 1,000 acres in area.

2. *Holdings.*—(i) *General.* On the 30th June, 1924, the lands of the Territory were held as follows:—

PAPUA.—HOLDINGS, 1924.

Description.		Area.
		Acres.
Land held by the natives	..	56,931,679
Crown land	.. ..	800,712
Freehold land	.. ..	23,085
Leasehold land	.. ..	190,124
Area of Territory		57,945,600

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

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

PAPUA.—LEASEHOLDS, 1919-20 TO 1923-24.

Year ended 30th June.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
Land held under lease .. acres (as recorded)	230,002	229,283	219,181	193,494	190,124

Of the total area of 190,124 acres shown above, agricultural leases accounted for 182,865, pastoral leases for 5,287, and other leases for 1,972 acres.

The area of land acquired by the Crown in 1923-24 was 3,634 acres.

The total area surveyed in the Territory is 23,085 acres of freehold, and 282,499 acres of leasehold.

§ 5. Production.

1. *General.*—The products of the Territory are obtained from its agricultural, forestal, fishing, mining, and manufacturing industries. For many years gold-mining yielded the largest returns, but the production has dwindled considerably owing to the exhaustion of the alluvial deposits. Satisfactory results are, however, expected from copper-mining on the Astrolabe field. There is also the possibility of obtaining petroleum in marketable quantities. Amongst plantation products, copra occupies the foremost place, but no planting has been done in recent years. Portions of the Territory appear well suited for cotton cultivation.

2. *Agriculture.*—(i) *Soil and Rainfall.* The physical features of Papua are favourable to agriculture. Rich soils at varying elevations, and heavy and evenly-distributed rainfall, have ensured success in cultivating almost every tropical product of value. The Territory comprises immense areas of rich alluvial and volcanic soils along the coast, and equally fertile land at elevations up to 6,000 feet. Splendid rainfalls are recorded 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 19 meteorological stations throughout the Territory, and an economic museum and agricultural library have been established.

(ii) *Plantations.* On 31st December, 1923, there were 260 plantations. Agricultural settlement has been mostly in the Central and Eastern Divisions, and the area planted was 60,863 acres, as against 60,044 in 1922. The principal plantation crops are coconuts, rubber, and sisal hemp. There is also some cultivation of bowstring hemp, kapok, coffee, tobacco, vanilla, cocoa, tapioca, cinnamon, tea, rice, and maize. The natives are compelled by an ordinance to plant coconuts for food supply. In the Kokoda district, which is not suitable for coconut planting, 8,000 rubber seeds and plants were distributed amongst the native villages in 1918. In addition to the coconuts in these plantations many more are planted over small and widely scattered areas by the older natives in accordance with custom. The following table shows the areas under the different cultures at the end of December, 1923 :—

PAPUA.—AREA OF PLANTATIONS, 1923.

Description.						Area.
						Acres.
Coconuts	..	..	..	..	..	46,798
Rubber	..	..	..	..	..	7,481
Hemp	..	..	..	..	..	5,849
Coffee	..	..	..	..	..	24
Rice	..	..	..	..	..	5
Cotton	..	..	..	..	..	103
Other cultures (including fruit trees)	..	..	..	..	..	603
Total						60,863

The yields of copra and rubber for the year ended 30th June, 1924, were :—Copra, 7,315 tons ; rubber, 304 tons. The increase in the return from copra over that for the preceding year was brought about by the coming into bearing of additional existing plantations, as no planting was done in 1923–24. In the case of rubber, the higher yield was due to the fact that the rise in price of the commodity rendered more extensive tapping profitable. The prospects for cotton-growing are apparently regarded with favour, and at the 30th June, 1924, over 700 acres had been planted. The figures quoted in the table refer to the acreage in December, 1923.

It was estimated in 1917 that over £1,000,000 had been expended in plantations, and, with the exception of two large British companies, practically the whole of the capital was subscribed in Australia and locally.

(iii) *Government Plantations.*—There are three Government plantations, consisting of 1,150 acres of coconuts, and 240 acres of rubber respectively. The net capital expenditure on these to the 30th June, 1924, was £39,081. For 1923–24 the aggregate net profit over working expenses and capital expenditure was £183.

(iv) *Indigenous Products.* There are many indigenous plants of great economic value. These comprise sandalwood and other timber trees, sugar-cane, cotton plants, rubber-both vine, nutmegs, ginger, bamboos, palms, bananas, bread-fruit, edible nuts, sago-palms, fruits, and vegetables. The classification of the indigenous flora has proceeded slowly, owing to the great difficulties of transport in jungle and mountainous country. Investigations, though incomplete, have proved the existence of a large diversity of useful timbers. Of 120 varieties catalogued, 16 are adapted to resisting heavy strains, and are suitable for girders, railway wagons, etc. ; 10 for railway carriage and coach building ; 15 for joinery, lining, flooring, etc. ; 14 for butter boxes ; 5 for boat building ; 4 for piles ; and 15 for cabinet work. Sandalwood is indigenous, and is largely used for cabinet work, while santal oil is distilled from the roots. Ebony is also produced for export. There are considerable areas of native rubber (*Ficus rigo*) ; but the planters generally prefer the imported Para rubber. Gutta-percha is obtained from a species of *palaquium*, which grows on the hills. Drugs, dyewoods, and spices are also

obtained from indigenous plants. The mountain firs offer possibilities in the shape of turpentine oils and timbers, while the conifer *Agathis alba* yields a valuable resin. Saw-mills have been established, but the output has not been sufficient to supply the local demand for building and other timber.

3. **Live Stock.**—On 31st December, 1923, the live stock in the Territory consisted of 465 horses, 4,973 head of cattle, 126 mules, 3 donkeys, 1,914 goats, and 673 pigs. A Government stud-farm has been established for the breeding of horses. The introduction of rabbits, foxes, hares, and monkeys is prohibited.

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

5. **Mining.**—(i) *Variety of Minerals.* Minerals have been found over a wide range of country. Those discovered so far are—gold, copper, tin, lead, zinc, cinnabar, iron, osmiridium, gypsum, manganese, sulphur, graphite, chromite, brown coal, lignite, and petroleum. The existence of petroleum has been traced at scattered intervals over a large area between Yule Island and the Purari Delta, in the Gulf Division of Papua. Up to the present, however, there has been no production on a marketable scale. Exploitation of the oil-fields by private individuals or companies was not permitted prior to 1923, in which year 6 licences to search for mineral oil and coal over an aggregate area of 4,652 square miles were granted.

Of precious stones, only the topaz and beryl have been obtained. Large beds of apparently good coal also exist. A geologist was added to the Government service at the beginning of the year 1911.

(ii) *Gold.* In 1888 the first gold was discovered, and the search gradually spread over every division, finds being reported wherever the explorers went. During recent years gold-mining has declined, and the yield in 1923–24 was the lowest recorded since 1895. The first dredging and sluicing plant in Papua commenced operations on the Gira River in January, 1924.

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

PAPUA.—GOLD YIELD, 1919–20 TO 1923–24.

1919–20.		1920–21.		1921–22.		1922–23.		1923–24.	
Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
fine ozs.	£	fine ozs.	£	fine ozs.	£	fine ozs.	£	fine ozs.	£
3,866	21,747	2,047	11,159	14,645	68,726	17,033	22,494	2,166	6,702

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, 1924, was £1,662,436.

(iii) *Copper.* In 1924, the New Guinea Copper Mines Ltd. completed the erection of smelters with the necessary railway connexion thereto, and 3½ miles of aerial tramway for the conveyance of ore. Smelting was commenced, and a certain amount of matte produced, but full capacity production of blister copper depends on the installation of additional blowing plant. The ore reserves are estimated at 290,000 tons, containing 13,300 tons of copper and 36,250 oz. of gold.

(iv) *Osmiridium.* The existence of osmiridium had been known for some years, but no serious attempt was made to collect it, the alluvial gold miner even picking out the larger slugs of the metal from his gold parcel and throwing them away. The production in 1923–24 amounted to 119 oz. valued at £3,553.

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

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

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

§ 6. Finance, Trade, Postal and Shipping.

1. **Finance.**—The revenue for 1923–24 exceeded that of the previous year by £8,692, the chief increase being in Customs and Excise. The principal sources of revenue were as follows :—Commonwealth Grant, £50,000; Customs and Excise, £48,925; Fees of Office, £6,739; Land Revenue, £3,715; Post Office, £2,838; Port and Wharfage Dues, £2,384; Miscellaneous, £11,062.

The expenditure was £7,949 more than that of the previous year. There was an increase of more than £3,000 in the Department of the Treasury, and a similar increase in that of the Government Secretary. The expenditure by the Public Works Department increased by about £1,000, and that of the Medical and Health Department by £1,700.

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

PAPUA.—LOCAL REVENUE AND EXPENDITURE, 1919–20 TO 1923–24.

Item.	1919–20.	1920–21.	1921–22.	1922–23.	1923–24.
	£	£	£	£	£
Revenue	79,573	82,316	68,138	63,124	77,750
Expenditure	118,436	146,827	124,912	123,691	131,640

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

PAPUA.—VALUE OF IMPORTS AND EXPORTS, 1919–20 TO 1923–24.

Particulars.	1919–20.	1920–21.	1921–22.	1922–23.	1923–24.
	£	£	£	£	£
Imports	422,741	484,770	305,705	315,423	354,965
Exports	270,481	172,672	220,236	179,452	239,408
Total Trade	693,222	657,442	525,941	494,875	594,373

As in all new countries, the imports consist chiefly of articles necessary for the prima needs of the community, such as agricultural products and groceries, drapery, machinery,

tobacco, oils, paints, beverages, wood, wicker and cane, drugs, &c. The chief items of export during the last five years are as follows :—

PAPUA.—PRINCIPAL EXPORTS, 1919-20 TO 1923-24.

Article.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
	£	£	£	£	£
Osmiridium	2,930	6,245	959	2,790	3,553
Gold	21,757	11,159	68,726	22,494	6,702
Copra	124,035	68,578	87,377	112,481	136,659
Rubber	41,542	28,966	5,826	5,907	33,334
Hemp	12,284	7,723	4,630	..	1,125
Copper Ore .. .. .	..	1,830	13,514	14	120
Pearl Shell and Trochus Shell ..	24,255	4,464	4,043	1,868	6,120
Pearls	25,577	14,950	5,250	9,797	16,600
Bêche-de-Mer	612	7,922	15,045	13,453	10,441
Bark	2,686	1,408	752	..	..
Cotton .. .. .	..	..	..	..	550

3. **Shipping.**—The following table shows the number, tonnage, and nationality of oversea vessels entered and cleared at ports during the years 1919-20 to 1923-24. The whole of the tonnage was British.

PAPUA.—OVERSEA SHIPPING, 1919-20 TO 1923-24.

Year.	Vessels.	Tonnage.
1919-20	86	59,189
1920-21	108	67,624
1921-22	127	74,206
1922-23	143	77,676
1923-24	99	68,170

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

§ 7. Progress of Papua.

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

PAPUA.—STATISTICAL SUMMARY, 1907 TO 1924.

Items.	Year ended 30th June—	
	1907.	1924.
White population	690	1,276
Native labourers employed (exclusive of Crown servants) ..	2,000	6,206
Number of white civil servants	65	143
Armed constabulary	185	(a)
Village constables	401	(a)
Territorial revenue	£ 21,813	77,750
Territorial expenditure	£ 45,335	131,640
Value of imports	£ 87,776	354,965
Value of exports	£ 63,756	239,408
Area under lease	acres 70,512	190,124
Area of plantations	acres 1,467	60,863
Meteorological stations established	3	19
Gold yield	fine ounces 12,439	2,166
Live stock in Territory—		
Horses	173	465
Cattle	648	4,973
Mules	40	126

(a) Not available.

3. THE TERRITORY OF NEW GUINEA.

§ 1. General Description.*

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

AREA OF TERRITORY OF NEW GUINEA.†

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

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

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

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

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

3. *Bismarck Archipelago and Solomon Islands.*—(i) *General.* The islands of the Bismarck Archipelago and the Solomons are generally mountainous, with level ground near the coasts alone. The only low-lying islands are some in the Duke of York and Admiralty Group. The islands of Bougainville and Buka (Solomons) are equally rugged:

* A map of the Territory was published in Official Year Book No. 16, p. 665, but considerations of space preclude its repetition in the present volume.

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

Bougainville contains mountains reaching 10,000 feet. The soil is usually fertile, except on the low coral islands, where fresh water is scarce.

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

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

4. *Revision of Geographical Names.*—A revision of geographical names, based on a list of names prepared by the Permanent Committee on Geographical Names for British Official Use, is in progress. A provisional list of names in the Territory is published in the Report for 1921–22. Among the changes already made are the use of North-East New Guinea for Kaiser Wilhelm Land, and Lavongai for New Hanover.

5. *Maps.*—A geological map, and maps showing the areas in which the native population has been counted or estimated, the areas of land alienated in freehold or leasehold, roads and Government stations, are published in the Report to the League of Nations for 1921–22. Admiralty Chart No. 2766 (North-East Coast of New Guinea, with Bougainville, New Britain, New Ireland, Admiralty Islands and adjoining reefs) is a useful general map of the Territory.

§ 2. Climate and Health.

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

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

3. *Rainfall.*—There is no really dry season. At Rabaul the period of the north-west monsoon, November to April, is wetter than that of the south-east trade from May to September or October; but in some other places, especially the south coast of New Britain and in the vicinity of Finsch Harbour, the south-east trade brings the principal rains. The position of the coasts with regard to the direction of the prevailing winds is the decisive factor in the rainfall. The annual rainfall amounts, at nearly all the stations at which observations have been made, to over 80 inches. In Bougainville, southern New Britain, and the island of New Guinea, the yearly average is from 100 to over 250 inches; but amounts as low as 66 inches have been reported from some stations on the coast of the island of New Guinea. The average rainfall at stations in the Gazelle Peninsula is about 95 inches. A region of high rainfall, reaching over 250 inches, is in the vicinity of Finsch Harbour. There are large variations from year to year, and some districts of the Territory are subject to unusually dry periods. Thus, in 1894, Kokopo (on Blanche Bay, north-east of New Britain) had only 65.6 inches, while in 1891 there were 133.3 inches; the average over a period of years was 74.4 inches. There is reason to believe that a severe drought which prevailed in New Ireland in the years 1914 and 1915 was in part responsible for the large decrease in the population of that island which took place during the period of the military occupation.

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

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

§ 3. Government.

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

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

The terms of the Mandate are given in Official Year Book No. 16, p. 662-3.

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

The Act provided for an Administrator, while power to legislate for the Territory was to be exercised by the Governor-General.

Provision was also made for the observance of safeguards in the interests of the natives as set out in the Mandate.

4. **Establishment of Civil Government.**—On receipt of the Mandate, arrangements were made by the Prime Minister, under whose control the administration of the Territory was placed,* for the establishment of Civil Government, and on the 9th May, 1921, a proclamation was issued in Rabaul that the military occupation had that day terminated. On the same day the first Ordinances made by the Governor-General under the New Guinea Act 1920 came into force. The most important of these was the *Laws Repeal and Adopting Ordinance* 1921, which provided that German laws should cease to apply to the Territory, and substituted other statute laws, together with the principles and rules of common law and equity in force in England, as the basis of the law of the Territory, subject to modification by Ordinance made by the Governor-General.

* Control of the administration was transferred in July, 1923, to the Department of Home and Territories.

The Ordinance also preserved the rights of natives in land, and the existing rights, privileges and customs of the natives in regard to cultivation, barter, hunting, and fishing; and it provided that tribal institutions, customs, and usages should continue, so far as they were not repugnant to the general principles of humanity.

Other Ordinances which came into force on the same day provided for the establishment of courts of law, and for the prohibition of the supply to natives of firearms, ammunition, intoxicating liquor, and opium.

5. **Expropriation.**—The Treaty of Peace provided that German nationals resident in her former colonies might be repatriated; and that the property rights and interests of German nationals in former colonies might be retained and liquidated by the Allies, the proceeds being credited to Germany in part payment of the reparation payable by her under the Treaty.

In pursuance of these powers, in September, 1920, the property of the principal German companies in the Territory, and in March, 1921, that of a large number of German planters, was vested in the Public Trustee; and the management of their businesses and plantations was entrusted (pending the sale or other disposal of the properties) to the Expropriation Board. (See Year Book, No. 17, p. 631.)

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

For administrative purposes, the Territory is divided into ten Districts, named after the principal stations in them, as follows:—In New Britain—Rabaul, Talasea, and Gasmata; on the Mainland—Morobe, Madang, and Aitape; in New Ireland and Lavongai (New Hanover)—Kavieng and Namatanai; in Admiralty Islands and adjoining islands—Manus; in Solomon Islands—Kieta. Each District is under a District Officer, assisted by a small staff.

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

8. **Reports to the League of Nations.**—Four 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, 1924.

§ 4. Population.

1. **White Population.**—The increase in the white population at various intervals since 1885 is shown in the appended tabulation. On 4th April, 1921, it was 1,288, of whom about 250 were missionaries, and 262 were persons engaged in administration; 715 were British subjects, and nearly all the remainder were nationals of former enemy countries. On 30th June, 1924, the number of Europeans was about 1,320.

TERRITORY OF NEW GUINEA.—WHITE POPULATION, 1885 TO 1924.

Year.					Number.
1885	..	..	..	..	64
1895	..	..	..	..	203
1910	..	..	..	..	687
1914	..	..	..	..	1,027
1921	..	..	..	..	1,288
1924	..	..	..	..	1,320

2. **Asiatic Population.**—Malays seem to have been the first Asiatics brought by the Germans to German New Guinea; 37 of them are recorded on the mainland in 1885. About 1889 the New Guinea Company began to bring Chinese, Malays, and Javanese in growing numbers from Singapore and Java to work on its plantations; by 1892 there were about 1,800 on the mainland. By 1898 the number had decreased to 300 or 400, while at present it is less than 250.

About ten years later. Chinese were brought from China to the Protectorate; in 1911 there were 555, in 1914, 1,377, in 1921, 1,424, and in June, 1924, about 1,330.

In 1895 there were 2 Japanese in the Protectorate, in 1911 there were 25, in 1914, 103, in 1921, 87, and in June, 1924, about 59 residents. The total Asiatic population was 1,681 in 1914, and 1,778 in 1921. There were also, in 1921, 28 Polynesians and 69 half-castes.

The number of Asiatics has slightly decreased. In 1923–24 the births of Chinese exceeded the deaths by 24, but departures exceeded arrivals by 41, so that the population decreased by 17. The number of Japanese decreased by 8.

The Chinese provide the skilled artisans and domestic servants of the Territory, and many of them are small traders. There is only one Japanese firm of any size, but it is not a serious competitor with European firms; most of the Japanese residents are employed in the plantations, shipyards, and stores.

The Immigration Act 1901–1920 of the Commonwealth is in force in New Guinea.

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

The following table shows the number enumerated in 1923, in each of the administrative districts.

TERRITORY OF NEW GUINEA.—NATIVE POPULATION, 1923 (EXCLUSIVE OF INDENTURED LABOURERS).

District.	Children.			Adults.			Total.		
	Males.	Females.	Persons.	Males.	Females.	Persons.	Males.	Females.	Persons.
Aitape ..	4,711	3,510	8,221	10,551	6,831	17,382	15,262	10,341	25,603
Gasmata ..	1,526	1,647	3,173	3,270	2,609	5,879	4,796	4,256	9,052
Kavieng ..	3,138	2,968	6,106	7,984	7,722	15,706	11,122	10,690	21,812
Kieta ..	5,044	3,963	9,007	11,866	9,808	21,674	16,910	13,771	30,681
Madang ..	5,128	4,005	9,133	9,492	7,682	17,174	14,620	11,687	26,307
Manus ..	2,069	2,171	4,240	4,418	4,692	9,110	6,487	6,863	13,350
Morobe ..	9,278	7,657	16,935	12,243	11,989	24,232	21,521	19,646	41,167
Namatanai ..	1,942	2,160	4,102	5,333	4,529	9,862	7,275	6,689	13,964
Rabaul ..	6,162	5,671	11,833	11,327	8,962	20,289	17,489	14,633	32,122
Talasea ..	2,676	3,225	5,901	5,367	5,186	10,553	8,043	8,411	16,454
Total ..	41,674	36,977	78,651	81,851	70,010	151,861	123,525	106,987	230,512

The total native population in the Territory is estimated roughly at between 325,000 and 350,000. Whether the total is increasing or decreasing cannot yet be ascertained with certainty; but apparently they are decreasing in New Ireland and Bougainville, and increasing in New Britain, while in the Admiralty Group the number appears to be stationary.

§ 5. The Natives.

1. **General.**—A brief description of the native inhabitants of the Territory was included in Year Book No. 16, page 670. It may be noted here that the natives are divided into two main groups—Melanesian and Papuan—the former, with odd exceptions constituting the population of the Bismarck Archipelago, the Solomon Islands, and the

coastal districts of the New Guinea mainland; while the latter inhabit the interior of the mainland. Odd tribes of Negritoes are known to exist in the mountains of New Guinea. In the Admiralty Islanders there is a strain of Papuan, and, possibly, of Polynesian blood, while the Western Islanders and the inhabitants of the small islands east and south-east of New Ireland are Micronesians.

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

3. **Research Work.**—During the German occupation of the Territory a certain amount of research work was carried out, partly by scientific expeditions, and partly by missionaries and by a local resident, and an anthropologist has been appointed by the Commonwealth Government to consolidate the work already done, and to extend it to parts of the Territory which have not yet been covered.

4. **Education.**—The education of the natives was provided for in the "Education Ordinance of 1922," under which the Administrator was authorized to establish schools, grant money therefor, prescribe instruction, arrange for the training of teachers, and other matters. Simultaneously a Native Education Trust Fund was inaugurated, over which the Administrator was given control, and for the benefit of which he was empowered, within certain limits, to levy taxes on the natives and on employers of native labour.

The Education Tax imposed on the natives realized in the first year £5,168, and that on the employers £156. In the second year the tax returned £16,357. The expenditure on native education in 1923-24 amounted to £18,955. This included £12,185 spent in the erection of new buildings at Malaguna.

In 1923 three schools had been established as follows:—(1) *An Elementary School* at Kokopo, for (a) the education of native children generally; (b) the training of intelligent natives as assistant teachers; (c) to qualify a certain number for positions in the lower grades of the Government service; (d) to prepare some for entrance into the Technical School, and others to take positions in the economic and commercial industries of the Territory. (2) *A Technical School*, at Rabaul, for training natives as workers in the various handicrafts required in the Territory. (3) *A School of Domestic Economy*, at Rabaul, to train natives as domestic servants. The establishments at Kokopo and Rabaul have since been removed to Malaguna, which has been made the educational centre for the natives in the Mandated Territory. The buildings erected there during 1923-24 comprise:—(1) Staff quarters; (2) Elementary school and dormitories, with accommodation for 200 children; (3) Technical School workshops for carpentry, basket-work, plumbing, and engineering; (4) Technical School dormitories, with accommodation for 50 trainees; (5) Home, containing schoolrooms and dormitories for half-caste children.

At the end of the year 1924 there were 104 native children attending the Elementary School. These were representative of every district in the Territory. (See Year Book No. 17, p. 635.)

The main educational activities in districts other than Rabaul are being carried out by the missions.

The schools maintained by the various Missions are of three classes—(a) elementary schools in villages; (b) intermediate boarding-schools at Mission head-quarters; and (c) high schools. The village schools are under native teachers; the most promising pupils pass to the intermediate schools, where they are taught by European teachers assisted by native tutors. At the high schools, teachers are trained for the village schools and tutors for the intermediate schools. Technical training is provided by the Missions in the vicinity of Rabaul and in parts of the New Guinea mainland, the natives being trained in printing, bookbinding, tanning, bootmaking, carpentry and cabinet work, and the

making of ropes, bricks, baskets and mats. At the end of June, 1924, the various missions maintained 783 schools, employing 158 European teachers and 886 native teachers. The pupils numbered 27,185.

The granting of assistance to Mission schools is authorized by the Education Ordinance.

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

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

Up to the age of puberty, and particularly through the first five years of life, malaria is responsible for a large number of deaths. The disease chiefly affects the coastal natives, while the inland tribes are very subject to respiratory diseases. Tuberculosis and respiratory diseases as a whole claim the greatest number of deaths. Dysentery, which generally occurs in the latter part of the dry season, is most severe on newly-recruited natives, especially if poorly nourished. Of spirochætal diseases, syphilis is extremely rare, but frambœsia tropica is prevalent. Yaws accounts for a large number of the cases treated in the hospitals. Tropical ulcer is widespread, and is one of the most distressing afflictions amongst the native population. Hookworm is very prevalent, and is seriously undermining the health of the natives. Filariasis is severe amongst the coastal natives. Skin and eye diseases are exceedingly common everywhere. Goitre is endemic in some districts. Gonorrhœa is very common amongst the natives in Rabaul and Northern New Ireland, but little is known regarding its prevalence in other districts, while leprosy occurs sporadically.

The Health Department in Rabaul possesses:—(i) a staff of medical officers and orderlies, including travelling doctors; (ii) well-equipped Native Hospitals at Government stations and sub-stations (its staff also supervises hospitals on plantations); (iii) a laboratory in Rabaul under an expert bacteriologist; (iv) training system for natives as medical tul-tuls; (v) scheme of distribution of medical necessities; (vi) a leper-station near Madang; and (vii) undertakes the general oversight of sanitary conditions.

The number of cases treated in the Government Native Hospitals during 1923–24 was 6,901, of which 150 proved fatal. The hookworm campaign is being vigorously prosecuted, and 76,413 cases were treated during the year.

6. Missions.—There are a number of mission societies working in the Territory. The Society of the Sacred Heart of Jesus works in the Bismarck Archipelago, the Society of the Holy Ghost along the coast of North-East New Guinea from Sek to the Dutch border, the Marists in Buka and Bougainville. These are Roman Catholic Missions. The Protestant Missions are the Australian Methodist Mission in New Britain and New Ireland, the Liebenzell Mission in the Admiralty Group, and the Rheinische Mission and the Neuendettelsauer Mission (now supported and staffed by the Lutheran Churches in Australia and America), which work along the coast of North-East New Guinea from Sek to the Papuan border. All these societies combine teaching and planting with their missionary work. They conduct native schools, and own plantations covering nearly 81,000 acres, of which about 15,000 acres are planted with coconuts. The number of Europeans engaged in mission work is about 250, of whom more than half belong to the Holy Ghost and Sacred Heart Missions. Some of the societies have small printing plants by which reading matter in one or other of the native languages is produced.

§ 6. Land Policy.

1. Acquisition of Land.—Land, in pre-German days, was bought from the natives for a little “trade goods.” After the annexation by Germany, land-laws and regulations were introduced which, in the course of years, were added to and made more stringent, eventually developing into the “Land Regulations of 1st January, 1914.” The policy of the German Government showed a preference for freehold tenure: A thirty years lease system was, however, introduced for Chinese planters, who could not own land. The access to land by Europeans, irrespective of nationality, was easy, and no limit was

fixed to the areas they could own. Where ownership in the land was claimed by the natives, the purchaser had to satisfy them with the usual gifts, after which he had to pay the Government not more than 8s. an acre and not less than 5 pence, and bind himself to make certain improvements. Under these easy terms large areas were acquired by various companies, mission societies, and private persons. The total area held by Europeans (mainly Germans), when war broke out, measured upwards of 700,000 acres, of which about 145,000 acres had been planted.

During British military occupation the sale of land was suspended, while leases of land were issued only for twelve months at a time.

2. Land Policy of the Present Administration.—The Land Ordinance 1922-24 provides for sale as well as leasing of land belonging to the Crown. The divergence from the policy usually adopted by the British in the Pacific (including Papua), which provides for leasehold only, was made with a view to disposing by sale of the freehold properties taken over from Germans, and which are now controlled by the Expropriation Board. The general land policy of the Commonwealth Government is based on the leasehold principle, and the greater part of the Lands Ordinance is devoted to provisions therefor. All Crown grants or leases contain a reservation to the Crown of all minerals, including mineral oil. Leases are for a term not exceeding 99 years, except where a shorter period is provided. Crown 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 re-appraisal every twenty years. The maximum area of land which may be held by any person under agricultural lease may not exceed 5,000 acres, 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 re-appraisal every ten 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. Leases may be granted to Missions rent free.

During the year 1923-24 leases covering a total area of about 5,700 acres were granted.

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

§ 7. Production.

1. General.—The Territory possesses great natural potentialities, but their development has barely commenced, and a limit to economic progress is more likely to be found in the scarcity of labour than in the exhaustion of resources.

2. Agriculture.—(i) *General.* No estimate has yet been made of the area of land suitable for agriculture; but it is certain that the area already alienated, if planted to its full capacity, would be far greater than the present native population could cultivate. The earliest traders contented themselves with the collection of native products (including copra), for which they exchanged "trade" goods. It was not until 1833 that the first plantation was laid out, at Ralum on Blanche Bay; the first plantation on the mainland was that of the New Guinea Company at Finsch Harbour, where the first settlement was placed in 1885.

The natives have been described as a people of peasant proprietors, and everywhere they practise a low form of agriculture. Their gardens afforded but a small amount of produce for oversea trade, and the exports of the Protectorate grew only as European plantations were made. Plantations extended slowly, for the Protectorate is almost everywhere covered with forest, and the clearing and planting of the land, even if labour can be had, necessarily occupies considerable time.

In 1923–24 a Director of Agriculture was appointed to supervise the development of tropical agriculture. To avoid earlier mistakes in planting, an examination of the soil in different localities was inaugurated, and this revealed that much planting of coconuts had been done in the past under soil-conditions unfavourable to success. A museum has been established in Rabaul, and contains a wide range of exhibits in anthropology, botany, zoology, mineralogy, etc. The programme laid down by the Director of Agriculture includes research work, the founding of experimental stations, meteorological observation, the issue of bulletins to planters, and the appointment of experts to instruct the natives in growing foodstuffs.

(a) *Tobacco*. This crop has been cultivated with success at Astrolabe Bay in North-East New Guinea, and in the Bismarck Archipelago. In 1893 there were 500 acres under tobacco, and the export reached 77 tons. Tobacco of high quality, rivalling the best Sumatra leaf, is said to have been produced. Later, the growing of tobacco on European plantations was abandoned, partly, it is said, for want of intelligent labour, although it continued to be grown by the natives for their own use.

(b) *Cotton*. The New Guinea Company also experimented in the growing of cotton, and it is said that a product of high quality was obtained. In 1896 the export amounted to 60 tons. In recent years this crop has been discontinued except for experimental purposes.

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

(d) *Cocoa*. Cocoa has been successfully grown, principally at Vitu (French Islands); in 1913, 137 tons were exported, and in 1923–24, 70 tons.

(e) *Coffee*. Coffee has been grown with success, but there has been little production.

(f) *Rubber*. A limited area is still planted with rubber. The trees were, however, planted before it was known which species yielded the best product, and *Ficus elastica* was propagated instead of the more valuable *Hevea brasiliensis*. The low price of inferior rubber rendered the plantations unprofitable, and the trees are not being tapped.

(g) *Copra*. Indigenous in most of the islands, the coconut palm yielded copra to the traders from the beginning of European trade, and the plantations, commenced in 1883, have steadily extended in area and production, until 95 per cent. in value of the total exports of the Territory now consists of copra. The quantity exported in 1913 was 14,000 tons; in 1918, it was over 20,000 tons; and in 1923–24 it was 34,974 tons, an increase of 2,326 over the figures for the previous year. The area under coconuts increased during the military occupation from 76,845 acres in 1914 to 133,960 acres at the end of 1918, and was, on 30th June, 1924, 172,373 acres, of which 94,009 were in bearing.

(h) *Other Crops*. The climate and soil of the Territory are suitable for the cultivation of rice, Manila hemp, cinchona, nutmeg, vanilla and maize. It has been proved that nearly all these can be grown successfully, 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 plant (which yields arrowroot and tapioca and is used in the making of glucose).

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

(ii) *Area of Plantations*. The area of plantations and the crops grown thereon are shown in the table hereunder for the year 1923–24. The figures are exclusive of native plantations.

TERRITORY OF NEW GUINEA.—PLANTATIONS, 30th JUNE, 1924.

Particulars.	Government Plantations.	Privately owned Plantations.	Controlled by Expropriation Board.	Total.
Area of Holdings acres	6,938	109,779	294,558	411,275
Area cleared "	2,638	64,593	118,778	186,009
Area Cleared and Planted "	2,558	60,719	115,886	179,163
Coconuts—				
Area Planted acres	2,555	56,337	113,481	172,373
Area Bearing "	1,080	31,498	61,431	94,009
Rubber—				
Area Planted acres	..	405	2,478	2,883
Area Bearing (a) .. .. "	..	..	..	..
Cocoa—				
Area planted acres	..	37	551	588
Area Bearing .. .. "	..	..	242	242
Coffee—				
Area Planted acres	..	10	4	14
Area Bearing "	..	5	4	9
Cotton—				
Area Planted acres	..	1	..	1
Area Bearing "	..	1	..	1
Maize—				
Area Planted acres	..	213	..	213
Area Bearing "	..	135	..	135
Native Food —				
Area Planted acres	21	2,098	715	2,834
Area Bearing (b) "	21	1,448	..	1,469

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

The area of plantations at various periods from 1885 to 1924 is shown hereunder. As in the case of the previous table, the figures are exclusive of native plantations :—

TERRITORY OF NEW GUINEA.—PLANTATIONS, 1885 TO 1924.

Year.	Total Area.	Area in Coconuts (including Area not in Bearing).
	Acres.	Acres.
1885	148	(a)
1895	2,152	(a)
1911	58,837	51,510
1914	84,941	76,845
1922	173,272	168,060
1923	172,218	167,428
1924	179,163	172,373

(a) Not recorded.

3. Live Stock.—There is little natural pasture in the Territory, but the coconut plantations are now of a sufficient area to maintain numerous live stock. In 1924 there were 705 horses, 8,789 cattle, 3,276 sheep, 4,814 goats, and 5,480 pigs (exclusive of the large number of pigs kept by the natives). See also Official Year Book No. 16, page 677.

4. Timber.—The timber resources of the Territory are not yet fully known, but an investigation was commenced by a forestry expert in 1924. Both hardwood and softwood are found in several varieties, some of which are of excellent quality. The timber required for house and ship-building and for other purposes is mostly obtained locally. In North-East New Guinea the Neuendettelsauer Mission and the Holy Ghost Mission both possess up-to-date saw-milling plants, while most of the timber required in the Archipelago is required by the Sacred Heart Mission's saw-mill, and by a privately-owned mill, both at the eastern end of New Britain.

The Timber Ordinance 1922 provides for the issue of permits and licences to cut timber. Timber growing on native lands cannot be acquired by private purchasers directly from the natives, but only through the Administration. A royalty (the amount to be fixed by regulation) is to be paid on all timber exported.

5. Fisheries.—The wealth of the waters of the Territory has so far been little exploited. Fish are caught at many places along the coast to supply the small local demand of the natives and of the few Europeans living there. Pearl-shell is exported in fair quantities, while trepang, shark fins, trochus-shell, and tortoise-shell also figure amongst the exports. The value of marine products exported in 1923-24 was £11,359.

6. Mining.*—There has been little mining in the Territory, and knowledge of the mineral resources is as yet but scanty. Gold has, however, been discovered on the Waria, the Ramu, the Francisco, and the Markham Rivers. Osmiridium is reported to have been found on the upper tributaries of the Ramu, and platinum on the Kabenau River. Copper has been discovered in the form of chalcopyrite and malachite in the Baining District. Iron occurs as magnetite and hæmatite in the Baining District, apparently in large quantities. Sulphur occurs in several localities in the volcanic regions of the Territory. Phosphates suitable for use in the making of manures are found in the Purdy Islands. Brown coal has been found on the mainland in the vicinity of Astrolabe Bay, and in the southern portion of New Ireland.

Oil is known to exist, but so far it has not been discovered in payable quantities.

Since the Mining Ordinance of 1922 came into force, one goldfield and four mineral fields have been proclaimed. The goldfield is in the administrative district of Morobe, and the mineral fields comprise the districts of Aitape, Madang, Namatanai and Kieta.

From the gold-fields of Morobe 6,617 ounces of gold, valued at £16,542, were exported in 1923-24. During the same year 35 miners' rights were issued, and 36 dredging and sluicing leases granted.

By the Mining Ordinance of 1923, private companies incorporated or registered in the Territory, two-thirds of whose shares are held by British subjects, became eligible to engage in prospecting and mining for mineral oil and coal. Ten applications, covering an area of 8,000 square miles on the mainland, and 2,000 square miles on the south coast of New Ireland, were granted up to 30th June, 1924.

§ 8. Trade.

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

TERRITORY OF NEW GUINEA.—TRADE, 1887 TO 1924.

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
1919-20	..	..	..	506,767	849,422	1,356,189
1920-21	..	..	..	661,441	673,992	1,335,433
1921-22	..	..	..	468,711	499,197	967,908
1922-23	..	..	..	516,855	630,892	1,147,747
1923-24	..	..	..	485,634	718,535	1,204,169

The import values are exclusive of money and Government stores. In 1923-24 the imports were distributed as follows:—From Australia, £480,341; America, £2,754; China, £2,081; and from Japan, £458.

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

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

TERRITORY OF NEW GUINEA.—IMPORTS, VALUE OF ITEMS, 1919-20 TO 1923-24.

Commodities.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
	£	£	£	£	£
Foodstuffs	190,442	241,280	113,238	181,492	137,638
Beverages (non-alcoholic) ..	(a)	2,429	1,360	2,235	6,428
Alcoholic Liquors	31,744	39,841	29,703	30,414	28,587
Tobacco	44,936	53,446	41,392	50,746	39,564
Live animals	1,429	845	4,276	1,351	1,114
Copra Sacks	(a)	20,555	23,152	15,701	18,428
Apparel	76,935	125,177	37,842	82,113	74,092
Oils	23,835	39,048	26,506	21,923	22,066
Hardware and Machinery ..	64,912	69,386	27,949	37,999(f)	52,347
Motor Cars and Accessories ..	(a)	20,141	11,953	14,579	8,604
Firearms, Ammunition, and Explosives	(a)	3,678	1,704	4,049	3,696
Timber and Building Materials	(a)	21,471	7,200	12,308	20,367
Paper and Stationery	1,225	4,366	4,459	5,918	7,082
Medicines and Drugs	5,414	10,300	10,290	18,919	11,529
Miscellaneous	65,895	9,478	17,687	33,002	50,710
Coal and Coke	(b)	(b)	(c)	4,106	3,382
Government Stores	(b)	(b)	110,000	(b)	(b)
Total	506,767(d)	661,441(d)	468,711(e)	516,853	485,634

(a) Not separately recorded. (b) Not recorded. (c) Not separately recorded, included in Government Stores. (d) Not including money or Government Stores. (e) Not including money. (f) Machinery included with Motor Cars.

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

TERRITORY OF NEW GUINEA.—EXPORTS, VALUE OF ITEMS, 1919-20 TO 1923-24.

Commodity.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
	£	£	£	£	£
Copra	745,057	641,045	474,110	619,715	686,519
Cocoa	15,530	9,105	9,465	3,734	3,602
Stone and Ivory Nuts	271	531	..	336	192
Rubber	1,104	2,900	..	..	..
Other Agricultural Products ..	2	20	..	..	..
Birds of Paradise and other Feathers	34,133	5,812	2,027	..	..
Mother of Pearl and other Marine Products	53,285	14,579	13,595	6,721	11,359
Gold .. ..	..	..	..	..	16,542
Miscellaneous	40	..	..	386	321
Total	849,422	673,992	499,197	630,892	718,535

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

**TERRITORY OF NEW GUINEA.—EXPORTS OF COPRA, COCOA, AND RUBBER,
1919-20 TO 1923-24.**

Commodity.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
	Tons.	Tons.	Tons.	Tons.	Tons.
Copra	22,708	23,735	25,894	32,648	34,974
Cocoa	140	133	152	83	70
Rubber	(a)	29	..	..	..

(a) Not recorded.

Of the 34,974 tons of copra exported in 1923-24, 21,075 tons went to countries other than Australia.

§ 9. Shipping and Communication.

1. **General.**—A subsidized mail service between the Territory and Australia is maintained by Burns, Philp and Co. Ltd. Occasional cargo steamers take shipments of copra direct to European and American markets.

2. **Oversea Tonnage in 1923-24.**—The number and net tonnage of oversea vessels which entered and cleared the Territory during the year 1923-24 are shown hereunder :—

TERRITORY OF NEW GUINEA.—SHIPPING, 1923-24.

Nationality.	Entered.		Cleared.		Total.	
	No.	Net Tonnage.	No.	Net Tonnage.	No.	Net Tonnage.
British	31	60,413	27	56,653	58	117,066
Chinese	1	1,869	1	1,869	2	3,738
Japanese	1	267	..	..	1	267
Norwegian .. .. .	..	..	1	5,797	1	5,797
Swedish	1	4,460	1	4,460	2	8,920
Total	34	67,009	30	68,779	64	135,788

Country from which Entered or for which Cleared.	Entered.		Cleared.		Total.	
	No.	Net Tonnage.	No.	Net Tonnage.	No.	Net Tonnage.
United Kingdom	1	3,215	..	..	1	3,215
Australia	25	43,611	19	33,281	44	76,892
European Ports .. .. .	..	..	7	26,456	7	26,456
China	2	5,069	1	1,869	3	6,938
Japan .. .. .	..	..	1	3,292	1	3,292
U.S.A.	1	2,945	1	3,361	2	6,306
Singapore	1	4,077	..	..	1	4,077
Nauru	1	2,845	..	..	1	2,845
Solomon Islands	2	4,980	1	520	3	5,500
Caroline Islands	1	267	..	..	1	267
Total	34	67,009	30	68,779	64	135,788

3. **Local Shipping.**—The Administration maintains a service of small steamers which bring cargo from outports to the ports of call of the oversea vessels, while there are also privately owned schooners and launches.

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 stations at Kavieng, Kieta, Manus, Madang, Aitape, and Morobe. Since 1st July, 1921, all these have been placed under the control of Amalgamated Wireless (Australasia) Limited.

§ 10. Revenue and Expenditure.

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

TERRITORY OF NEW GUINEA.—REVENUE, 1919-20 TO 1923-24.

Heading.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
Trade and Customs—	£	£	£	£	£
Imports	98,658	59,865	49,031	77,259	73,781
Exports		33,035	38,422	35,965	43,656
Total	98,658	92,900	87,453	113,224	117,437
Taxes and Fees—					
Licences	7,587	7,977	5,588	5,816	5,846
Business Tax	8,134	8,860	20,989	10,317	18,322
Law Department	2,282	1,416	1,942	2,205	1,488
Lands Department	11,382	4,438	6,858	3,132	6,717
Stamp Duties .. .. .	..	..	1,000	507	500
Native Affairs—					
Head Tax	11,210	15,522	20,546	21,550	21,451
Indenture Fees	3,856	2,580	1,689	(b)12,191	(b)8,605
Fees and Fines		240			
Income Tax .. .. .	..	..	209	644	677
Total	44,451	41,033	58,821	56,362	63,606
Miscellaneous—					
Trade and Customs	2,438	4,284	6,470	2,918	3,959
Post Office	4,061	3,852	6,348	2,328	4,040
Wireless Service	4,781	4,181	5,839	..	..
Receipts from Administration					
Shipping Services	28,061	23,921	36,599	26,951	15,532
Plantations	5,637	4,036	8,824	2,985	5,705
Hospital Receipts	3,027	4,845	2,884	7,148	10,785
Interest	81	164	..	..	..
Miscellaneous	10,965	14,741	(a)44,268	(a)29,815	(a)27,680
Total	59,051	60,024	111,232	72,145	67,701
GRAND TOTAL	202,160	193,957	257,506	241,731	248,744

(a) Including sale of stores.

(b) Including hire of labour.

2. Expenditure.—The expenditure for the financial year 1923-24 was distributed as follows :—

TERRITORY OF NEW GUINEA.—EXPENDITURE, 1923-24.

Secretary and Central Adminis- tration	£12,743	Public Works	£22,514
Government Printer	3,601	Trade and Customs	31,312
Justice	3,747	Agriculture	7,533
Treasury	41,032	Public Health	22,135
Audit	2,539	District Services	76,228
Lands and Survey	12,371	Miscellaneous	5,136
Native Affairs and Police	12,425	Total	253,316

F. NAURU.

1. **General.**—Nauru is an oval-shaped atoll about 12 miles in circumference having an area of 5,400 acres, of which approximately four-fifths is phosphate-bearing. It is situated in long. 166° E., and is 26 miles south of the Equator. Portion of the island between the sandy beach and the coral cliffs is fertile, and it is there that the native Nauruans have established themselves. With the exception of a small fringe round an inland lagoon, the plateau which contains the phosphate deposits possesses few food plants and is uninhabited, but portion of the area has been planted with fruit trees. The system of land tenure is governed by old custom, and, with the exception of small allotments held by the Government and Missions, the whole of the island is owned by individual natives. The climate is hot, but not unpleasant, the average shade temperature ranging between 72° and 95° F., and the average humidity between 70 and 80. The average rainfall is 120 inches, but droughts occasionally occur, and in 1916 and 1917 only 40 inches were received for the two years.

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

In November, 1914, Nauru was occupied by a detachment from the Australian Expedition at Rabaul; and it was included in the cession of colonies made by Germany in 1919 to the Allied and Associated Powers, whose representatives agreed that a mandate over it should be given to His Majesty the King. On 2nd July, 1919, the British, Commonwealth, and New Zealand Governments agreed that the administration of the island (which, since 1915, had been in charge of an official appointed by the British Colonial Office) should be vested in an Administrator; the first Administrator was to be appointed for a term of five years by the Australian Government, and thereafter in such manner as the three Governments decided. This Agreement was approved by the Commonwealth Parliament in the Nauru Island Agreement Act 1919, and is printed in the Schedule to that Act, and the first Administrator appointed by the Commonwealth Government assumed duty in June, 1921.

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

3. **Administration.**—The Administrator has all the powers of government—administrative, legislative, and judicial—in the island. An Advisory Council has been created which consists of two Europeans chosen by the Administrator, and two native chiefs elected by the natives. All expenses of administration are met from local revenue. Native industries such as canoe-building, fishing, mat-making, etc., are encouraged by the provision of prizes at annual competitions. A branch of the Commonwealth Savings Bank has been established, and the deposits by natives in 1924 amounted to £4,154. There is a co-operative store managed by the natives themselves, the books, however, being audited by Government officers. Natives are not allowed to carry firearms, and the use by them of intoxicating liquors and deleterious drugs is prohibited.

4. **Population.**—Figures for population from 1920 to 1924 are given hereunder:—

NAURU.—POPULATION, 1920 TO 1924.●

Population.	1920.	Census of 24th April, 1921.	31st Decem- ber, 1922.	31st Decem- ber, 1923.	31st Decem- ber, 1924.
Europeans	91	119	128	110	125
Chinese	599	597	582	603	785
Nauruans(a)	1,068	1,084	1,156	1,179	1,219
Other South Sea Islanders ..	227	266	290	117	11

(a) The natives of Nauru are Micronesians.

The birth rate among the Nauruans in 1924 was 46 per 1,000, the death rate 27 per 1,000, and the rate of infantile mortality 357 per 1,000.

5. **Health.**—There is no malaria, but cases occur of other diseases known in the Pacific. Venereal disease is rare, but in 1924 there were 189 cases of leprosy in segregation, and a total of 284, or nearly 24 per cent., of the native population were under treatment. An area has been set apart for the segregation of lepers, and the latest methods of treatment are applied to cope with the disease. Two hospitals are maintained on the island, one by the Administration for Nauruans, and one by the European Phosphate Commission for its employees. In common with other natives, the Nauruans are very susceptible to tuberculosis and influenza, and in 1921 an influenza epidemic caused the deaths of 230 islanders. Dysentery, both amoebic and bacillary, is endemic. The usual steps are being taken by the authorities to improve the water supply and to provide efficient sanitation generally. A baby clinic has been established to give help and advice to Nauruan mothers in regard to infant nurture.

6. **Education.**—On the 1st October, 1923, the Administration took over the education of the Nauruans and other native children, and native schools were established in four districts. Previously education had been looked after by the Missions subsidized by the Government. A school for European children, 17 of whom were in attendance in 1924, 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. Officers from the Missions visit the schools to give religious and moral training. A museum for the preservation of Nauruan antiquities is in process of formation.

7. **Religion.**—The London Missionary Society (Protestant) and the Sacred Heart of Jesus Mission (Roman Catholic) operate in Nauru, and in 1924 the adherents to the former numbered 782, and to the latter 342.

8. **Phosphate Deposits.**—(i) *General.* The deposits were discovered in 1900, and 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 the two islands has been estimated at not less than 100,000,000 tons, and the rock phosphate, as shipped, averages 85 per cent. to 88 per cent. of tribasic phosphate of lime. About 4,000,000 tons have already been removed; the area worked or partly worked is only about 97 acres.

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

(ii) *Output.* The output from the two islands in 1913, the last year before the war, was 350,000 tons. During the first three years of the Commission's management it was as follows:—

NAURU AND OCEAN ISLAND.—OUTPUT OF PHOSPHATES, 1921 TO 1923.

Year.	Total.	To Australia.	To New Zealand.	To United Kingdom.	To other Countries.
	Tons.	Per cent.	Per cent.	Per cent.	Per cent.
1920-21	364,251	72.96	4.69	4.59	17.76
1921-22	361,205	47.20	10.64	4.45	37.71
1922-23	311,650	65.43	16.54	..	18.03

From Nauru alone, during the calendar year 1924, the export was 280,990 tons, of which 200,770 tons went to Australia, and 80,220 tons to New Zealand.

(iii) *Accounts of Commission.* A statement for the three years ended June, 1923, is given hereunder.

NAURU AND OCEAN ISLAND.—SALES OF PHOSPHATES, 1920-21 TO 1922-23.

Receipts from Sales of Phosphate, Etc.	1920-21.	1921-22.	1922-23.
	£	£	£
Receipts from sales, etc.	691,643	823,045	542,348
F.o.b. cost, including interest on capital, Sinking fund, etc.	688,958	732,407	538,099

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

The amount due by the Commission to the partner Governments for purchase money and other capital sums was £3,666,457 on 30th June, 1921; by 30th June, 1922, this was reduced to £3,607,495; and by 30th June, 1923, to £3,492,776. The contribution to sinking fund paid by the Commission provides for interest at 6 per cent. and extinction of the capital sum in 50 years from 1st July, 1920.

(iv) *Charges for Phosphate.* Up to 30th June, 1922, the Commission's charge for phosphate landed in Australia was from 75s. to 80s. per ton: the price was reduced from 1st July, 1922, to 49s. 3d. in the Eastern States and 52s. 3d. in Western Australia. On 1st July, 1923, it was further reduced to 46s. in all States.

(v) *Employees.* The employees of the Commission at Nauru consist of 60 Europeans, 785 Chinese, and 11 natives of Pacific islands other than Nauru. A few Nauruans are from time to time employed, but they are not partial to sustained labour of any kind.

9. *Trade.*—Information regarding imports and exports for years 1920 to 1924 is appended herewith:—

NAURU.—IMPORTS AND EXPORTS, 1920 TO 1924.

Heading.	1920.	1921.	1922.	1923.	1924.
	£	£	£	£	£
Imports	109,119	106,486	78,320	53,685	100,254
Exports—	tons.	tons.	tons.	tons.	tons.
Phosphate	149,609	187,680	182,170	212,300	280,990
Copra	189	..	93	121	383

10. *Revenue and Expenditure.*—The revenue and expenditure of the Administration during the years 1920 to 1924 were as follows:—

NAURU.—REVENUE AND EXPENDITURE, 1920 TO 1924.

Heading.	1920.	1921.	1922.	1923.	1924.
	£	£	£	£	£
Revenue	10,611	10,192	11,182	11,837	18,200
Expenditure	4,818	12,712	11,424	10,266	13,580

Of the revenue in 1924, £6,689 was royalty on phosphate, £3,941 consisted of Customs dues, and £2,616 of post office receipts. The total credit balance on the 1st December, 1924, amounted to £21,587.