



UNITED NATIONS
TRUSTEESHIP
COUNCIL



PROVISIONAL

T/FV.1266
23 June 1965

ENGLISH

Thirty-Second Session

VERBATIM RECORD OF THE TWELVE HUNDRED AND SIXTY-SIXTH MEETING

Held at Headquarters, New York,
on Monday, 23 June 1965, at 10.30 a.m.

President:

Mr. NAUDY

(France)

1. Examination of conditions in the Trust Territory of Nauru: (a) draft resolution (T/1098); (b) report of the Drafting Committee [4(b)]
(continued)
2. Examination of conditions in the Trust Territory of New Guinea:
(a) draft resolution (T/L.1095); report of the Drafting Committee
[4 (c)] (continued)

Note:

The Official Record of this meeting, i.e. the summary record, will appear in provisional mimeographed form under the symbol T/SR.1266 and will be subject to representatives' corrections. It will appear in final form in a printed volume.

AGENDA ITEM 4 (b)

EXAMINATION OF CONDITIONS IN THE TRUST TERRITORY OF NAURU: (continued)

- (a) DRAFT RESOLUTION (T/L.1098);
- (b) REPORT OF THE DRAFTING COMMITTEE (T/L.1104)

The PRESIDENT (Interpretation from French): I should like to draw the attention of the members of the Trusteeship Council to the report of the Drafting Committee on the Trust Territory of Nauru, which appears in document T/L.1104. This has been circulated to the members, and in this connexion I should like to thank the Secretariat for the care they have taken in drafting, translating and distributing this document.

I believe that delegations wishing to submit amendments will be able to do this during our meeting this afternoon. I would suggest, if these amendments are numerous and lengthy, that they be submitted in advance to the Secretariat so that the Council can take them up and consider them without losing too much time.

Mr. RIFAI (Secretary of the Council): I should like to take this occasion to draw the attention of the members of the Council to two typographical errors in the annex to document T/L.1104. In line 4 of paragraph 2 the words "of 15 December 1960" should be deleted. In line 6 of paragraph 18 the word "are" should be changed to "is". These are simple errors which members of the Council should take into account.

AGENDA ITEM 4 (c)

EXAMINATION OF CONDITIONS IN THE TRUST TERRITORY OF NEW GUINEA: (continued)

- (a) DRAFT RESOLUTION (T/L.1095),
- (b) REPORT OF THE DRAFTING COMMITTEE (T/L.1099 and Corr.1, L.1101-L.1102)

The PRESIDENT (interpretation from French): We shall now continue the vote, which was interrupted last Friday evening, on the report of the Drafting Committee on New Guinea (T/L.1099 and Corr.1), and we shall also consider the amendments to this document. We had reached paragraph 9 of the report, which is the first paragraph in the chapter entitled "Economic Advancement". An amendment to paragraph 9 appears in paragraph 5 of document T/L.1102, submitted by the delegation of the Soviet Union.

Before beginning the discussion, I should like to remind the members of the Council that it would be desirable at this last stage of our work if we were to confine ourselves to specific comments on the provisions in the report we are now considering or on the amendments thereto, without going over the entire discussion of matters which we have already taken up several times and with which, I believe, the Council is fully familiar. Having said this, we shall now vote on the Soviet amendment to paragraph 9 of the report.

Mr. DICKINSON (United States of America): I have a point of order in connexion with what we are voting on. Were there not other suggestions about the language in the Soviet amendment in connexion with the House of Assembly? I am not sure that they were formally presented. I am just seeking clarification. Are we voting on the Soviet amendment as it stands or were there other amendments to that language?

The PRESIDENT (interpretation from French): As I stated, it will be for representatives, before we start to vote on any paragraph of the report or on any of the amendments submitted thereto, to make any comments they wish to make or to present sub-amendments if they wish to do so and if they feel it to be necessary.

Mr. EASTMAN (Liberia): My delegation did make a proposal last Friday. I do not know if it can be said that it was moved formally. We did suggest that we use the words "in consultation with the House of Assembly", and those words should come between the word "should" and the word "now". The word "now" would be deleted, so that the whole sentence would read as follows:

"The Council suggests that the Administering Authority should, in consultation with the House of Assembly, draw up a complete and balanced plan..."

Mr. KIANG (China): I fully support the amendment just moved by the representative of Liberia.

Mr. McCARTHY (Australia): Speaking to the amendment just submitted by the representative of Liberia, it does seem to me to move further towards an appreciation of the realities of the functions of the two bodies concerned. You will recall that on Friday afternoon last I explained that there seemed to me to be a conflict between the conception of the functions involved, the House of Assembly, on the one hand, having a legislative function and the Administration, on the other hand, having a planning and administrative function as distinct from that of the House of Assembly. At the same time I did make it clear that my delegation was not opposed in principle in any way at all to some proper reference to the House of Assembly.

Mr. SWAN (United Kingdom): As co-drafter of the report, I would simply like to say that I see no objection to the amendment of the representative of Liberia.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): As the representative of Australia has done with respect to his delegation, I should like to remind the Council of the position taken on this subject by the Soviet delegation and to repeat that the position of Australia, as Administering Authority, is simply the reflection of the division of power which obtains in the Territory. On the one hand, there is the Administering Authority, which is endowed with all functions and powers of administration, including the right of veto, and on the other hand there is the powerless Assembly.

The PRESIDENT (interpretation from French): From the explanations which have just been given, I consider the submission of the representative of Liberia to be a sub-amendment to the Soviet amendment, and the Council will therefore vote first on the Liberian sub-amendment.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): As far as we can recall, the representative of Liberia did not even mention the word sub-amendment. In addition, although his amendment refers to the same text, it does not pertain to the point in the paragraph which is now under discussion. The Soviet delegation therefore believes that it should be considered as a separate amendment. Furthermore, the Soviet delegation wishes to recall that amendments should be voted upon in the chronological order of their submission.

The PRESIDENT (interpretation from French): In the circumstances, the Council will vote first on the sixth Soviet amendment (T/L.1102).

The amendment was rejected by 3 votes to 1, with 3 abstentions.

The PRESIDENT (interpretation from French): The Council will now vote on the amendment submitted by the representative of Liberia.

The amendment was adopted by 7 votes to none, with 1 abstention.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): I should like to request a separate vote on each of the two sentences of paragraph 9.

The PRESIDENT (interpretation from French): I shall put to the vote separately the two sentences of paragraph 9, the second sentence as amended by the adoption of the Liberian amendment.

The first sentence of paragraph 9 was adopted by 7 votes to none, with 1 abstention.

The second sentence of paragraph 9, as amended, was adopted by 7 votes to none, with 1 abstention.

Paragraph 9 as a whole, as amended, was adopted by 6 votes to none, with 2 abstentions.

The PRESIDENT (interpretation from French): We now come to the seventh Soviet amendment, which is to insert a new paragraph after the present paragraph 9, which has just been adopted.

Mr. McCARTHY (Australia): I wish to speak on the seventh Soviet amendment, which appears in document T/L.1102. To the best of my knowledge, there is no increased penetration of the Territory's economy by foreign capital which is exploiting the Territory's natural wealth and human resources. One of the requirements for development in New Guinea, as we brought out during the questioning period, was an increased inflow of capital from all sources to enable the development of the Territory and the establishment of industries which will, on the one hand, stand as self-contained industries and, on the other hand, will serve as both the prototype and stimulus for the development of similar industries or industries in the same field for the indigenous people as they acquire a greater degree of economic skills.

Furthermore, it is also my understanding that the House of Assembly has the right to exercise effective control in the interests of the Territory's inhabitants, over the activities of foreign companies in the Territory. As the Special Representative and his advisers explained, it is open to the House of Assembly to enact in the Territory whatever legislation it considers proper.

(Mr. McCarthy, Australia)

It is also open to any private member of the House of Assembly to bring before the House a bill on any subject whatever for debate, judgement and vote. If the House of Assembly, or any member, wishes to introduce legislation relating to the operation of foreign companies in the Territory, it is completely within the powers of the House of Assembly to do so.

(Mr. McCarthy, Australia)

Recalling again the questioning period of earlier meetings of the present session of the Council, I believe that the representative of the Soviet Union asked what special machinery there was, and the Special Representative explained that there was no special machinery set up as such but in fact -- I noted this at the time -- the House of Assembly itself constitutes very effective machinery indeed for such control as is envisaged in this amendment.

Mr. GASCHIGNARD (France) (interpretation from French): I should simply like to ask for a separate vote on each of the two sentences appearing in the seventh Soviet amendment in document T/L.1102.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): In connexion with the statement made by the representative of Australia, I should like to recall, as regards the examination of the Soviet amendment pertaining to the increased penetration of the economy by foreign companies, a few examples of what we have already said in order to avoid any wrong impression being created in the Council in respect of the discussion taking place now. I should like to remind the representative of Australia of the fact that the inhabitants of the Bougainville area and the Australian company, the Development Finance Corporation -- which enjoys the fullest support of the Administration and also, as we can see at meetings of the Council, the full support of the Australian delegation at the thirty-second session of the Trusteeship Council -- made a deal. The indigenous inhabitants apparently were deceived both by the Company and by the Administration. It was a deal under which the Company was sold timber in the amount of 500 million cubic feet. Under that deal the local inhabitants, the owners of the wood and the timber, were to receive for that particular wooded area £50,000, while the actual value of the wood was £6 million, according to one source, and according to another source, an Australian newspaper of 26 April 1965, the price in fact might very well reach the sum of £10 million.

(Mr. Potin, USSR)

I assume that the representative of Australia would recognize that there is quite a large difference between the £30,000 and the £10 million quoted. The gap is very serious indeed.

In its statement the Soviet delegation gave many more examples of the fantastic profits made by Australian companies as a result of the exploitation of the natural resources and human resources of the Territory.

We seem to recall that some other delegations mentioned the same situation. That is why the Soviet delegation indicated in its basic statement that the subordination of the country's economy to foreign interests is a path which is dangerous for any colonial people, including of course the people of Papua and New Guinea.

Then there is a final observation. The Soviet delegation is always happy to see mistakes corrected even when such mistakes are corrected belatedly. We would be very happy of course if the mistake made by the Special Representative would be corrected by the representative of Australia that is, with regard to the question whether the House of Assembly has power of control.

Today the representative of Australia asserted that the House of Assembly has the right of control over the activities of foreign companies inasmuch as, allegedly, the House of Assembly has the right to implement -- and if I am not mistaken, he used the English words "to enact" -- any legislation in the Territory.

We have already referred at length to the powers of the House of Assembly. The Soviet delegation does not propose to dwell on the matter any longer. We all know that these powers are drastically limited and that over any decision of the House of Assembly there is the Damocles' sword of the Administering Authority. That is why neither the statements of the Special Representative -- which were in fact contradicted by the representative of Australia, -- nor the statement of the representative of Australia today, could convince us that there is any means of control in the hands of the House of Assembly, over the activities or actions of the Administering Authority.

(Mr. Fotin, USSR)

The Soviet delegation believes that such control machinery must exist, provided the indigenous population does not wish to have all its powers handed over to foreign companies.

Mr. EASTMAN (Liberia): My delegation has on several occasions expressed its concern about the foreign investments in the Territory. We are not at this moment going to deal with how effective they have been. We are quite willing to forget the past. What I would like to have the new paragraph say, however, is that in the future the people will have more control and will reap the maximum benefits from foreign investment. With that in mind, I have a sub-amendment to the seventh Soviet amendment. It reads as follows:

"The Council notes the need for increased investment of foreign capital in the Territory's economy, but considers that the House of Assembly should have the right to exercise effective control ..."

Mr. McCARTHY (Australia): I would just like to speak briefly to the remarks made by the representative of the Soviet Union with regard to the business operation which he gave as an instance. Let me state categorically, right at the beginning, that there was no deceit involved in relation to the people concerned. In fact, to the best of my understanding, the negotiations leading up to this timber concession went on for a period of a good many years and the whole matter was in fact discussed in detail with the people over those years. Secondly, let me say also that there is no transfer or sale of land involved, that the sums of money involved as payment to the people simply represent payment for the rights to process the timber on that land for a limited period; that is, they are paid for the timber rights only. There is no transfer or sale of land whatever and the period is a limited one.

Furthermore, to establish this industry -- and it will have considerable benefit for the indigenous people -- the company concerned is faced with a vast expenditure in comparison with the amount of money which it has agreed to pay out for the timber rights. That vast expenditure includes the construction of roads, wharves and all the paraphernalia for an industry of that kind.

I shall not again go into the question of the powers of the House of Assembly. Those powers, as I have pointed out here and as my colleagues in the Australian delegation have also pointed out, are very extensive indeed. Although a residual right in respect of the allowance, disallowance, non-disallowance, assent or the withholding of assent, is vested in the Australian Government, as I have explained, not only in this context but in other debates in this Council, some control must be vested in that Government to enable it to carry out its international obligations, if for no other reason. The moment when there is no vestige of control vested in that Government is the moment, of course, of independence or whatever the word may be.

As for the powers of the people in relation to these matters, the people, as we know, are represented in the House of Assembly which is a democratically elected parliament elected on the basis of universal franchise with an indigenous majority. I have said, and I say again, that that House of Assembly has very extensive powers indeed, including the power to initiate its own legislation, which is being done quite frequently by private members; and vested in that House is already the right for the control which it may consider to be necessary over the investment of foreign capital.

Mr. KIANG (China): My delegation wishes to support the sub-amendment submitted by the representative of Liberia which, I think, fully reflects the sentiments in the Territory. I think that such an improvement on the original amendment should meet with the approval of the Australian delegation.

Mr. DICKINSON (United States of America): I should like to explain the vote of my delegation on the amendment and the sub-amendment.

My delegation will vote against the amendment submitted by the Soviet Union because it gives the wrong impression of the need for capital and of the facts in the country.

The second sentence of the Soviet amendment again gives a misleading impression. The representative of Australia has explained to us the meaning of the powers of the House of Assembly.

My delegation considers that the Liberian sub-amendment is a great improvement over the amendment submitted by the Soviet Union; however, we would call for a vote in parts on it. We would vote in favour of the first part and we would abstain on the second in view of the explanation given by the representative of Australia concerning the responsibilities of the Australian Government.

Mr. FOTIN (Union of Soviet Socialist Republics): (interpretation from Russian): I should like to make a few brief observations in connexion with the statements just heard.

First of all, the representative of Australia said that the people in the Bougainville area, whose timber had been sold to foreign companies, would in fact obtain large benefits --he used the words "considerable benefit"-- from the proceeds of that timber. If the loss on one deal alone amounting to £9,970,000 is to be considered a considerable benefit for the population of the area, then the Soviet delegation cannot possibly consider that statement as anything but a very strange way of being logical.

The representative of Australia said that the full transfer of powers to the legislative organ of this or that territory would happen only at the time when that territory is granted full independence. We could agree to this. However, does the representative of Australia think that it is justifiable to retain, among other rights, that of abrogating the decisions of the House of Assembly pertaining exclusively to internal matters--or does that also fall within the framework of the international obligations that the Administering Authority has for the Territory?

Finally, the representative of the United States said that the Soviet amendment creates a wrong impression in respect of the situation in the Territory. I should like to refer members of the Council to the annexes to the annual report submitted by Australia in respect of the Trust Territory, and in particular to those annexes which contain lists of the companies operating in the Territory. Among those companies, as you know, there are quite a number of American companies or branch offices of large American monopolies. It is hardly possible that in this Council or in any other body of the United Nations we would hear any comments from the representative of the United States that would be directed against the companies of his own country.

Mr. SWAN (United Kingdom): I do not want to go back over the debate, but I think that as a member of the Visiting Mission to New Guinea, I should state that it was certainly not my impression that the foreign capital was exploiting the Territory's natural wealth or its human resources. Quite the contrary, it was the foreign capital which was building up that wealth and those resources. This is borne out clearly by the report of the World Bank and indeed by its proposals, that this capital should be considerably increased.

Secondly, I have a brief point to make on the question of timber. We did, during our tour of New Guinea, go to Bulolo in the Morobe District, where we visited the timber exploitation and the very fine plywood factory. And I think it is shown again in the report of the World Bank that this industry is contributing very considerably to the wealth of the Territory. Moreover, we made a particular point of asking about the replanting of the timber in that area; as is recorded in paragraph 181 of our report (T/1655) 840 acres are planted annually. I discussed this with the directors of the timber industry there. They told us that, as a result of the exploitation in the area and the reforestation which is being carried on simultaneously, there will be more planted timber and not less when the whole operation is completed.

Mr. DICKINSON (United States of America): The representative of the Soviet Union sought to explain my explanation of vote. I would say that what he had to say was nonsense. I have just spent six weeks in the Territory and I saw no evidence that United States capital is playing a very large role in the Territory. On the contrary, a number of New Guineans asked why United States capital could not come to the Territory and play a larger role. I am sure my Government would be happy if it were to do so, but since it is not, I fail to understand the intervention of the representative of the Soviet Union.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): I have two observations to make in connexion with what the representative of the United Kingdom said. The Soviet delegation feels it necessary to make these observations, all the more so as the representative of the United Kingdom was a member of the Visiting Mission to the Territory.

First of all, the Soviet delegation considers that the representative of the United Kingdom, as a member of the Visiting Mission sent out by the Trusteeship Council to the Trust Territory, should have taken a much more decided position in respect of the protest lodged by the inhabitants of the Bougainville area in connexion with the exploitation of the timber resources of the area by an Australian company and the Administering Authority. Then the Soviet delegation would like to repeat what it has already said with regard to the position taken by the United States and the part played by United States companies in the Territory, and to address this very same observation to the representative of the United Kingdom inasmuch as we know, all of us, that British capital plays an important part in this matter; besides, the representative of the United States may in fact be right when he suggests that British capital may play a much larger part in the Territory than does United States capital.

Mr. McCARTHY (Australia): I do not wish to prolong this debate, but simply to observe that, to the best of my belief and as far as I can find out, the part being played by United States companies in New Guinea is very small, very small indeed, compared to the total commercial activity of the Territory.

Nor would we see anything sinister if the part played by those companies were a much larger one. The part being played by United States companies at the present time in the development of metropolitan Australia, for example, is a very considerable part indeed.

But simply to return to the matter of fact which is involved, there is not, compared to the total commercial activity in the Territory, very much activity on the part of United States companies.

Mr. DICKINSON (United States of America): I regret very much having to prolong this, for I know we should proceed to the vote, but the representative of the Soviet Union has again misquoted me; he said that in my intervention I stated that there was a larger amount of British capital than of United States capital. I did not mention British capital.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): The latest observation by the representative of the United States is prompted, probably, by one of those mistakes in interpretation, rare in this Council, from Russian into English. I do not assert this necessarily, but what the representative of the United States just said brings me to that conclusion. I am sorry I did not hear the English interpretation of my statement. The Soviet delegation said something different, namely that it would wish to repeat, in respect of the position of Britain and British capital in New Guinea, what it had said in respect of the position taken by the United States here in the Council and the part played by United States capital in New Guinea.

The PRESIDENT (interpretation from French): We shall now proceed to vote on the sub-amendment submitted by the representative of Liberia. Unless I am in error, the representative of the United States has requested that there be a separate vote on the first part thereof, and I should like to request the Secretary of the Council to read out in English this first part of the sub-amendment of Liberia so that we shall be quite clear on it.

Mr. RIFAI (Secretary of the Council): As I took it down, I believe this is the part on which we are to vote at this time:

"The Council notes the need for increased investment of foreign capital in the Territory's economy".

That is the first part. The second part would be:

"... but considers that the House of Assembly should have the right to exercise effective control, in the interests of the Territory's inhabitants, over the activities of foreign companies in the Territory".

The PRESIDENT (interpretation from French): The Council will now vote on the Liberian sub-amendment.

The first part of the sub-amendment was adopted by 7 votes to none, with 1 abstention.

The second part of the sub-amendment was adopted by 6 votes to none, with 2 abstentions.

The PRESIDENT (interpretation from French): We shall now vote on the amendment as a whole, as contained in paragraph 7 of document T/L.1102 and as amended by the Liberian sub-amendment.

The amendment as amended was adopted by 6 votes to none, with 2 abstentions.

The PRESIDENT (interpretation from French): We shall now go on to paragraph 10. The French delegation has submitted an amendment thereto, but before voting on this amendment I give the floor to the representative of the United States on a point of order.

Mr. DICKINSON (United States of America): A point of order, Mr. President, but not in connexion with the voting. I am not sure what the French amendment is.

The PRESIDENT (interpretation from French): The Secretary of the Council will read it out in English.

Mr. RIFAI (Secretary of the Council): The French amendment is contained in document T/L.1101 and reads as follows:

"In the annex, paragraph 10, second line: after the word 'conceived' add the words 'and implemented', and after the words 'in consultation' add the words 'at all levels'."

The PRESIDENT (interpretation from French): We shall now vote on the French amendment to paragraph 10 of the report of the Drafting Committee, document T/L.1099, as contained in document T/L.1101.

The amendment was adopted by 7 votes to none, with 1 abstention.

The PRESIDENT (interpretation from French): We shall now vote on paragraph 10.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): The Soviet delegation requests that a separate vote be taken on the first and second sentences of paragraph 10.

The first sentence of paragraph 10 was adopted by 7 votes to none, with 1 abstention.

The second sentence of paragraph 10 was adopted by 6 votes to none, with 2 abstentions.

Paragraph 10 as a whole was adopted by 6 votes to none, with 2 abstentions.

Paragraph 11 was adopted by 7 votes to none, with 1 abstention.

The PRESIDENT (interpretation from French): We now come to the Soviet amendment, which is to insert a new paragraph after paragraph 11. It appears in paragraph 8 of document T/L.1102.

Mr. McCARTHY (Australia): This Council should be aware by this time that the major agricultural crops in New Guinea are tropical crops: to wit, copra, coffee, and cocoa, mainly. It is essential for the development of the economy of New Guinea -- indeed of Papua and New Guinea -- that every effort should be made to continue the development of these basic tropical crops. It is true that they are not in competition with crops grown in Australia, because Australia does not produce coffee, cocoa, and copra. This is a matter of climate and the basic agricultural necessities involved. However, in addition to those crops, industries and other crops are being developed which are in direct competition with Australian industries. I myself have had occasion earlier to mention here the growth of peanuts in Papua-New Guinea, a large quantity of which is sold on the Australian market, and which is in such direct competition with a substantial peanut-growing industry, particularly in Queensland, that representations have been made over the years for protection of the Australian peanut growers against this -- which representations have not been successful.

(Mr. McCarthy, Australia)

Furthermore, I have mentioned the production of fruit juices of various kinds, which also is in direct competition with similar agricultural industries in Australia.

Another crop which is being produced in Papua - New Guinea is pyrethrin, a new development. This is not in competition with an Australian industry, it is true, because Australia does not produce pyrethrin.

Looking at the purely crop-growing aspect of the primary industry of the Territory, I would mention, too, the emphasis which is being placed on the development of a cattle industry in Papua - New Guinea. As everybody knows, the cattle industry in Australia is one of the great basic industries of that country. Nevertheless, the Administration, through every effort in its power, is pushing ahead with the development of the cattle industry in Papua - New Guinea, which, presumably, will be in direct competition with this major Australian industry. It is pressing ahead with this to such an extent that it has just completed the construction in the Territory of local killing and meat processing works of considerable size, aimed at coping not only with present production, but with the very much larger production anticipated in the future -- again, I would repeat, in direct competition with one of the major Australian industries.

Hence, the statement as it stands is just not correct.

Mr. DICKINSON (United States of America): I should like to explain my vote on the Russian proposal contained in --

The PRESIDENT (interpretation from French): The representative of the Soviet Union has the floor on a point of order.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): The United States delegation probably knows, and has known for a long time, that my delegation is the delegation of the Soviet Union.

Mr. DICKINSON (United States of America): May I assure the Soviet representative that I meant no harm by that.

My delegation would like to state that it will vote against the first paragraph of the Soviet amendment, which, by the way, is in two paragraphs; it is called one here; but, if you will note, it consists of two paragraphs. I am referring now to the first of those two that are mentioned in paragraph 8 of document T/L.1102. My delegation will vote against the first of those paragraphs, on the ground that the first sentence is misleading, as the representative of Australia has stated.

My delegation would like to propose a sub-amendment to the Soviet amendment contained in the second sub-paragraph of paragraph 8 of document T/L.1102. The purpose of this is to enable my delegation to support the Soviet amendment. My sub-amendment to the Soviet amendment is as follows -- and I will explain it after reading it to you; I will read that sub-paragraph, inserting the words which I would like to be added as a sub-amendment:

"The Council further recommends that 'the' fishing 'industry' should be 'further' developed in the Territory."

Thus, the United States sub-amendment would add the words, "the", "industry", and "further". The purpose of this sub-amendment is to recognize the fact that there is a fishing industry in the Territory. However, from what I have seen of the Territory, I think it very desirable that there be further development, and I should therefore support the Soviet amendment, if it is amended as I have suggested.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): The representative of Australia has referred to a number of factors that would determine whether this or that crop would or would not be produced in the Trust Territory. He named a few crops, but was quite cautious with respect to sugar -- that is, the cultivation of sugar cane -- which, as he knows, could grow fairly well under the tropical conditions in New Guinea. If we look at the facts pertaining to the production of sugar -- particularly of imports of sugar into the Trust Territory -- we can see eloquent facts and figures.

The Soviet delegation would like at this point to thank the Special Representative for his informal answer to a question put by the Soviet delegation at one of the earlier meetings of the Trusteeship Council, a question pertaining to the imports of sugar into the Trust Territory. I trust he will not object -- since this matter was discussed in the Council -- if I venture to quote but a few figures from amongst the data he was good enough to supply me with.

(Mr. Fotin, USSR)

With regard to the first figure, in the year ended 30 June 1964, Australia exported 779,987 pounds of sugar to Papua and New Guinea. As the Special Representative stated in the Council, sugar brought over from Australia meets with keen competition from sugar imported from Hong Kong. In the note communicated to the Soviet delegation, we are informed, in particular, that in the year ended 30 June 1964 the value of sugar imported into the Territory was £10,152.

Thus, it can be seen that we have here a clear confirmation of what the Soviet delegation said at an earlier meeting of the Council, that the overwhelming part of the sugar imported into the Territory is Australian sugar.

Finally, in order to reply to the Australian representative, the Soviet delegation would like to refer to figures which it put forward in its statement of 14 June of this year. We said then that the Territory annually imports more than £8 million of foodstuffs, and that in 1964 imports of foodstuffs represented almost 23 per cent of all imports. We know that Papua and New Guinea need means for the development of their economy. The Soviet delegation believes, therefore, that such expenditure on imports of foodstuffs is unwarranted. However, foodstuffs are imported into the Territory since this meets with the agricultural interests of the metropolitan Power, and the Administering Authority is continuing its policy of developing only those sectors of agriculture in the Territory which do not compete with corresponding sectors in Australia.

Mr. EASTMAN (Liberia): I wish to refer to two points. Firstly, if the new paragraph proposed by the Soviet delegation refers to fruits and vegetables, and I hope it does, I would have no alternative but to give it our support. We do realize, however, that coffee, cocoa and copra, which were mentioned by the Australian representative, are not grown in Australia, but only in New Guinea. However, passion fruits and vegetables are grown both in Australia and New Guinea, and thus there is competition in some way. I repeat, if the proposed new paragraph is concerned with fruits and vegetables, we will wholly support it.

(Mr. Eastman, Liberia)

Secondly, I have been told that there is a fishing industry in New Guinea. Perhaps I do not know what a fishing industry looks like, but I have just returned from New Guinea, and perhaps I will have the pleasure of being told that in what I saw I did not recognize the fishing industry. I would be happy to be so informed, but at present I am confused about the proposed amendment to the Soviet amendment relating to the further development of the fishing industry. I am not aware that I saw a fishing industry in the Territory, but I am quite willing to be enlightened.

Mr. KIANG (China): I wish to comment on the proposed new paragraph to be added to paragraph 11. Paragraph 11 as recommended by the Drafting Committee is concerned mainly with the economic planning and development of the Territory. The Council will recall that in the general debate my delegation expressed the view that success in economic planning and development depends largely upon the interest and enthusiasm of the people in such activities. Unless the people take a great and active part in expanding the economy, economic development will not advance at a pace which will stimulate economic growth and raise the standard of living of the people.

We put questions to the Deputy Leader of the Assembly about the industries which he had very much in mind. It was reported by the Visiting Mission that Mr. Toliman raised this question with the Mission, and from Mr. Toliman's answers we understood that certainly sugar is one of the industries which the people have very much in mind. Therefore, this raises no problem and we will fully support the idea that the prospects of such industries should be explored.

However, we have already adopted one overriding recommendation in paragraph 9, by which the Administering Authority will consult with the House of Assembly in drawing up a complete and balanced plan for economic development in New Guinea. In this process of consultation, the people will have an opportunity to express themselves on the kind of new industries they would like to have. Since this opportunity will be given to the House of Assembly, I think it might be wise to leave this question to the full discretion of that Assembly rather than express our views at this juncture. It is for that reason that my delegation will not be able to vote for the new paragraph proposed, as it now stands.

(Mr. Kiang, China)

With respect to the second paragraph which has been proposed, concerning the question of the fishing industry, a question has been raised as to whether or not there is such an industry. In view of the confusion created by the question raised by the representative of Liberia, my delegation is not able to explain its vote. We do not even know how we are going to vote on that paragraph.

Mr. McCARTHY (Australia): I was not being cautious when I did not mention sugar; I was simply forgetful. To my own certain knowledge, and within my own personal experience of this matter, research in the development of a sugar industry in the Territory has been intense over recent years. I understand that at the present moment two main problems are hindering the development of that industry.

One problem is the inability of the Administration at the present time, despite a world-wide search and examination of sugar development and sugar machinery, to develop a sugar mill or mills in the Territory which will be able to operate on an economic basis in relation to the market which is there. This means that, from what our present research shows, if the milling of sugar were begun today in New Guinea that industry would face an export programme which would be necessary for it to survive. Sugar, we know, is not in short supply on the world market. In fact, I believe there is something approaching a 25 per cent over-supply of sugar throughout the world. Therefore, such an industry, faced with the necessity of developing a large export programme, would be competing, so far as the economics of the situation are concerned, with a world-established industry which is already in over-supply.

A further point is that, although sugar cane does grow in great quantities in New Guinea, nevertheless the climate there does not make for the production of a particular type or types of sugar, or particular characteristics in the sugar which is produced there, to enable it to compete successfully with sugars grown in different climates, where there is required, I understand, a more marked change in seasons to bring out certain characteristics in the sugar which is produced.

Now, with regard to fisheries: It is quite true to say that the Administration has been concentrating actively on the development of fishing industries in both Papua and New Guinea for some years. I would refer to page 77 and page 78 of the annual report, which give details of fishing activities carried out under the direction of, and on the basis of planning by, the separate Division of Fisheries of the Department of Agriculture, Stock and Fisheries.

At those pages, one finds statements such as this:

"Many of the coastal and island people are actively engaged in organized fishing and catches surplus to their own needs are normally used to barter with the hinterland people or sold at town markets. There is one commercial fishing venture based on Rabaul and one on Lae. Better equipment and techniques are continuing to improve catches and more fish are being produced for cash sale by organized village groups. Three vessels with refrigerated holds transport those species in demand from village fishing groups to the principal towns." (T/1632, page 77.)

Another quotation:

"At the marine biological station at Kanudi, near Port Moresby, Papua, training in modern fishing techniques using synthetic netting materials continued under the direction of three European technical officers. Experiments in the design of fish nets and traps suited to local needs are also conducted at the station and the standard of gear being developed for local use continues to rise. In addition to the design and construction of trawl nets, crayfish traps, large mesh nets, beach seines and fish traps, some success has been achieved in the quick and cheap building construction of 12-foot fishing tenders using local materials and this work is being expanded as a boat repair service with plans to build larger craft."

(Ibid., pages 77 and 78)

Further on in the annual report, there are references to courses conducted by the Fisheries Division of the Department of Agriculture, Stock and Fisheries for fishing assistants, to train them to go out and work among the people and guide them in the development of this industry.

In addition to this activity which is taking place purely as an Administration venture, there is continuing and close co-operation with the South Pacific Commission, which, as its name implies, is concerned with the South Pacific area itself, which has its own fisheries officers and experts, and which has developed techniques and training courses that are very freely made use of by the Administration.

In addition to what might be called deep-sea fishing of the kind to which I have just been referring, quite extensive efforts have been made by the Administration -- with some success -- to develop fish where no fish previously existed. For example, I would be surprised if the Visiting Mission, during its visit to Mount Hagen, did not see the experimentation that was taking place there with various types of fish which, at a suitable period, are then released in the mountain and other inland streams to provide an industry and a source of food supply for the people themselves.

Mr. DICKINSON (United States of America): The representative of Liberia asked me what I meant by an "industry", and he pointed out that we had both been to the Territory. I think we saw pretty much the same things, although I can cite one thing that I saw myself. As the representative of Australia has pointed out, there are, in addition to many local fishing industries, two organized fishing industries based on Iae and Rabaul. At least one of these has three trawlers with full refrigeration on them. What I observed in Rabaul was apparently one of these industries, and I met the man who runs it. In addition to these trawlers with refrigeration, etc., he had a shore refrigeration plant in which he was able to keep these fish, to spread them better over the market and to provide that means of increasing the use of fish as a food and as a commercial product.

I therefore hope that the representative of Liberia will be able to support my sub-amendment. There is a fishing industry; it is very very small, and many of us heard from various New Guineans, especially in the Rabaul area, that they would like to see the fishing industry expanded, perhaps even with canneries. But the purpose of my sub-amendment is to recognize that there is an industry and to support the Soviet desire that it be developed.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): The statements made at today's meeting by the representative of Australia have shown not only that he can be forgetful when it suits him but also have demonstrated once again the interest shown by Australia in retarding the development particularly of the sugar industry in the Territory of Papua and New Guinea. The representative of Australia said that there is so much sugar in the world that, if the sugar industry were to be developed in the Territory, it would meet with strong competition in areas beyond Papua and New Guinea. But the fact remains that the Administering Authority does not permit the development of the sugar industry even within limits that would allow for the satisfaction of internal requirements. I repeat: not even for the internal requirements of Papua and New Guinea. If such internal requirements were met, the Territory would be able to make savings exceeding £800,000 annually, a sum which could be directed to other purposes.

In addition to what has already been said, the Soviet delegation would like to remind members of the Council of a statement with which we are familiar, by Mr. John Guise, an elected member of the House of Assembly, to the effect that the sugar industry is necessary to the Territory and that, if it is not developed while the Australians are still there, it will be developed after they have left.

Finally, in connexion with the statement by the representative of Australia regarding competition on world sugar markets, the Soviet delegation would like to say that, if necessary, the sugar industry could be protected on the world markets. However, to protect it against competition, a desire to do so is required. But, inasmuch as Australia has a substantial market in the Territory for its own sugar and other foodstuffs, it would appear that the desire to protect the sugar industry in the Territory, and even to develop it, is sorely lacking.

To conclude: Although I understand the question period is over, I should nevertheless like to ask the representative of Australia the following question: If fish is imported into the Territory, where does it come from?

Mr. EASTMAN (Liberia): I should first like to discuss the proposed sugar industry. Perhaps the world market is flooded with an abundance of sugar, but if the people of Papua and New Guinea can earn \$1,000 annually from the introduction of this product, I would support it because there is room for improvement economically in any field in the Territory. Thus, regardless of the fact that the market is flooded, if a sugar industry were to be established and people would earn more money and thus improve their standard of living, I would support this.

As regards fishing, what the representative of Australia read out were plans and proposals submitted by his Government. I have copies here of the itinerary that was given to the Visiting Mission. The Australians were very kind in showing us all the developments they had brought to the Territory, but I can assure you that there was nothing shown to us concerning fishing. I have been racking my brain to find out why I did not see this. I did read the report and its pertinent points on fisheries, but we were not shown this. We were told, however, that different kinds of fish had been introduced into their streams but that they had been devoured by the New Guinean fish in most instances and that it was a very difficult process.

As for Mr. Dickinson, my friend and the representative of the United States, I have no reason to doubt the truthfulness of his statement; I am sure he saw what he has described, but he must have seen it as an individual. The Mission did not see this, as he may recall. We did see an abundance of fish from one island to another; all you had to do was to throw out a hook and you had a fish. There was great opportunity there. There was no sign -- I repeat with all earnestness -- of any fishing industry. There were some beautiful catches in Port Moresby because fish abound there. People bring in their surplus fish, those that they cannot consume, to the market. They do this independently but not as part of an industry. For that reason, I would prefer to see fishing developed as an industry. People do catch fish, but not as an industry.

Mr. McCARTHY (Australia): What I read out from the annual report was not simply planning. What I read out were references to certain facts on the spot, for example, the existence of refrigerated vessels in relation to the fishing industry, the training of indigenous field workers, marine workers, or whatever they are called, in relation to the fishing industry. There were some references to facts, not to plans to be realized, except in so far as they did take cognizance of plans to augment the efforts to which I referred.

As far as sugar is concerned, to speak to the points raised by the representatives of Liberia and the Soviet Union, I would say that the ease with which our colleague from the Soviet Union disposes of the economics of a product of which there is an oversupply in the world market fills me with admiration. What I did say and what I attempted to make clear was that the economics of the industry in relation to Papua and New Guinea were such that sugar could not be produced in economic competition with sugar from other sources in the world and that if in fact an industry were established there and were to depend almost entirely on the internal demand, then in relation to the economics of the industry the sugar supplied to the people would necessarily be at a higher price than the imported sugar.

With regard to his question as to where the fish imported into the Territory come from, most of the fish, I can assure him, does not come from Australia. To the best of my knowledge, most of it comes from Japan. Fish is also imported from the Scandinavian countries. There are some imports from the United Kingdom and also, I think, some from the West coast of America. That is where most of the imports come from.

Mr. SWAN (United Kingdom): If I might just cast a little light on the fishing industry, taken from the summary which the Secretariat prepared for us of the report of the World Bank, the production seems to be about 10,000 tons and the imports are from Japan. Substantial quantities of canned fish are imported from Japan. It is perhaps worthy of note that in the next paragraph the report of the World Bank says that the Mission is not optimistic about the contribution which fisheries can make to development. However, in spite of that,

(Mr. Swan, United Kingdom)

I would nevertheless in general support the second paragraph of the Soviet amendment if it were amended to show that there is in fact some fishing in the Territory.

Mr. FOTIN (Union of Soviet Socialist Republics)(interpretation from Russian): The Soviet delegation would, first of all, like to answer the question put by the representative of Liberia, who asked if the Soviet amendment covered fruit and vegetables. The answer is yes; I am sorry that this answer came belatedly.

The representative of Australia considers that the Soviet delegation treated rather lightly a product which was abundant on the world market. However, does not the administering Power treat rather lightly the development of that industry in New Guinea? Does not the representative of Australia consider that the time has now come to consider not only the most elementary matters concerned in the development of New Guinea such as the sugar and fishing industries, but also the problems concerned with the industrialization of the economy?

The representative of Australia has told us where the fish imported into New Guinea comes from, and we thank him for that information. I must confess that his reply impressed us: into an island territory like New Guinea, where fish are abundant, fish are imported from Japan, from Scandinavia, from Great Britain and from the United States. It may very well be that the fish themselves rather enjoy crossing oceans not only when they are alive but also when they are canned in olive oil, but I wonder if this manner of satisfying the pleasure of the fish is really in the interests of the people of Papua and New Guinea. That is why the Soviet delegation felt certain doubts in this respect and why it submitted its amendment.

Mr. McCARTHY (Australia): The representative of the Soviet Union asked me a question, whether I thought that the Administration was treating the matter of economic development rather lightly. The answer is no, definitely not. The recent activities of the World Bank and the World Bank report are the earnest of the Administering Authority's desire and intention to come to grips with this problem.

(Mr. McCarthy, Australia)

It is very difficult to get on the same wave-length as the representative of the Soviet Union. He has taken me to task because the fish in this case are imported from so far away. Of course, the closest place from which the fish can be imported into New Guinea, the major developing country, is Australia itself. If imports come from Australia, which is at its closest point less than 100 miles from the coast of New Guinea, then he sees something sinister in that; if they come from somewhere else, then he sees something sinister in that too.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): The representative of Australia may say whatever he pleases here in the Council, but he will never be able to escape the obvious fact that the development of a fishing industry in New Guinea and Papua is essential and that fish need not be imported either from Australia or from any other country. Fish should not be imported from anywhere. The import of fish should be abandoned and fishing should be developed in the Territory itself. From the economic point of view, or from any other point of view, it is ridiculous to import fish into a Territory whose waters contain fish in abundance.

If the import of fish does take place, this can be explained only in one way, and that is the lack of desire on the part of those responsible for the Territory to place the interests of the indigenous population before all other interests.

The PRESIDENT (interpretation from French): The Council will now vote on the first part of the eighth Soviet amendment, the United States sub-amendment to the second part of the Soviet amendment and the second part of the Soviet amendment.

The first part of the amendment was rejected by 4 votes to 2, with 2 abstentions.

The United States sub-amendment was adopted by 6 votes to 1.

The PRESIDENT (interpretation from French): The result of the vote on the second part of the amendment, as amended, is as follows: six votes in favour none against, and one abstention. It is adopted.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): Mr. President, I had not raised my hand in time and my vote was therefore not taken into account. I should like to state that despite the United States sub-amendment, which makes the text of the Soviet amendment substantially worse, the idea of the necessity of developing a fishing industry in the Territory was nevertheless retained. That is why the Soviet delegation voted in favour of that part of the Soviet amendment.

The second part of the amendment, as amended, was adopted by 7 votes to none, with 1 abstention.

Paragraph 12 was adopted by 6 votes to none, with 2 abstentions.

Mr. DICKINSON (United States of America): I wish to explain my abstention. Paragraph 12 was not clear to me and I had intended to ask for an explanation. I abstained from voting because the meaning of the paragraph was not clear.

Paragraph 13 was adopted by 6 votes to none, with 2 abstentions.

Paragraph 14 was adopted by 6 votes to none, with 2 abstentions.

Mr. DICKINSON (United States of America): I wish to explain my abstention in the vote on paragraph 14. Basically the paragraph is a good one, but I abstained because in recommending that the Administering Authority take steps to eliminate discriminatory practices, the paragraph is asking the Australian Government to do something which, in the opinion of my Government, it is already doing. Therefore, I did not wish to vote for that paragraph.

Mr. EASTMAN (Liberia): As the Council knows, I was appointed a member of the Drafting Committee, and personally I would have greatly desired to see the language of paragraph 14 much stronger. I do admit that in the Territory there is legislation forbidding discrimination. The representative of the United States said that he thought the Australian Government was implementing this legislation. I do not know whether he remembers the many forms of discrimination that he saw in the Territory. I am speaking in particular about the hospitals in which the wards are called "paying wards" for the non-indigenous people, and "non-paying wards" for the indigenous people. I am speaking in particular about going into a store for service in Papua and New Guinea. If one is black he is served after an expatriate, despite the legislation. I am speaking about the token representation of indigenous children in the primary A schools which are superior academically to the inferior primary T schools for indigenous children. I am speaking about accommodations where New Guinean and Papuan children, as the representative of the United States saw, sometimes sit on the floor in school. In the primary A schools for expatriate children, they have the most elaborate and modern accommodations. There is legislation forbidding discrimination, but it exists in the Territory of Papua and New Guinea.

Mr. DICKINSON (United States of America): I would like to reply to the representative of Liberia. I had forgotten the incident he mentioned. I wish he would repeat it. It was before the reference to the people being served in stores; I did not take it down.

Mr. EASTMAN (Liberia): I would be happy to oblige. I am talking about the hospitals in Papua and New Guinea, the "house sick", I believe they call it. I can go further and elaborate. In wards of the hospitals there are air-conditioned and nicely fitted-out rooms for non-indigenous people. They are called "paying wards". Regardless of how much money a New Guinean has, he is not permitted there; he goes to the "non-paying wards". This is a form of racial discrimination. That was the first example I pointed out to the representative of the United States.

Mr. DICKINSON (United States of America): I feel obliged to reply to the representative of Liberia. With respect to the hospitals, I did not as a member of the Visiting Mission consider the existence of non-paying wards and paying wards to be discriminatory, but simply a recognition of certain economic factors. I think that it is very notable that there are non-paying wards and that people do not have to pay. There were even some suggestions in New Guinea that perhaps they should pay so that they would appreciate more the care they were getting.

With respect to air-conditioning, I remember particularly a hospital we visited in Madang, and also another place, a maternity ward, in which there were none but indigenous people; those places were fully air-conditioned.

With regard to the stores, I personally went to many stores and waited until indigenous persons had been served, and whoever was before me was served, in my opinion. As regards schools, again, they were not set up on the basis of discrimination. In all of the primary A schools which I saw, there were a number of indigenous children. As regards accommodations -- I do not recall exactly what was said -- but the same would apply; there was not any discrimination.

Mr. McCARTHY (Australia): It is a curious position we have got into with regard, for example, to hospitals. I said earlier in this debate that the hospital system in Papua and New Guinea evoked the admiration of everybody who went there. People who have sat in the Council year after year have heard this admiration expressed by persons who are knowledgeable in this field. The simple fact of the matter is that for hospital services the indigenous people do not have to pay, and they do not have to pay for the best attention which is available to them. They can pay if they wish; there is no law forbidding them to pay. But non-indigenous people have to pay, and they have to pay at quite expensive rates.

Therefore, this is not a matter of discrimination; far from it. This is a matter of payment pure and simple, and anybody who wishes to pay, anybody who is prepared to pay, goes into the paying part of the hospital regardless of his race. But those people who do not wish to pay and are not required to pay -- to wit, the indigenous people -- do not go into the paying part of the hospital. I think that the representative of Liberia will agree with me that these hospitals, throughout, having the same facilities for paying and non-paying patients, are such a remarkable achievement that I doubt if there are any countries in the world, in a similar stage of development, which can parallel this achievement. And I would say that many countries in the world, at a far greater stage of development, cannot parallel the hospital development which has taken place in Papua and New Guinea.

This is not, I repeat, a matter of discrimination; it is simply and solely a reflection of the fact that the Administration pays for the hospital treatment of the native people. If that is a crime, then it is difficult for me to distinguish between crime and virtue.

The representative of Liberia referred also to token integration in schools. Integration in schools is the policy of the Administration. This integration is going on at an increasing extent all the time. I do not know whether the Visiting Mission saw the high school at Rabaul, for example. If they did, they would have seen a completely integrated school, integrated not only as between indigenous pupils on the one hand and European pupils on the other hand,

(Mr. McCarthy, Australia)

but integrated as between all the races in the area. This integration is not token; this integration has proceeded. The simple fact of the matter is that there is no segregation on racial grounds. The simple fact of the matter is that if you have the children of a population of 2 million, as compared with the children of an expatriate population of about 27,000 -- including the children themselves -- you have different requirements, different standards, at the beginning of school. Furthermore, the benefits to the indigenous people, as far as school is concerned, are greater than the benefits to the non-indigenous people.

When the indigenous people are brought to higher schools from their village schools, they are boarded there; they are provided with shelter, food, all school requisites, clothes, and everything they need, entirely at the cost of the administration. This does not happen for non-indigenous people. I regret that the representative of Liberia should have come back to express these views, which are just not correct.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): In this Council the representatives of two Powers have expressed regret in respect of the interesting discussion we have had at this meeting, a discussion regarding racial discrimination in the Territory of Papua and New Guinea. The Soviet delegation welcomed that discussion because it had known the facts of racial discrimination for a long time, racial discrimination applied in various aspects of life in the Territory.

In its own statement this year, the Soviet delegation referred to discrimination in the field of wages. The foreigners in the Territory, be they public officials or be they employed in other sectors of life in the country, earn five and ten times, and often many times, more than the indigenous inhabitants. The Soviet delegation had opportunities in the past of indicating that New Guinean war veterans were not able to obtain land at prices at which lots had been sold to foreigners. The New Guineans in fact obtained lots that were not as good as those obtained by Australians.

Last year the Soviet delegation quoted a statement by the Deputy Administrator of the Territory, Mr. John Gunther, who, according to data published by The Christian Science Monitor of 23 July 1963, declared when he presented the draft law regarding discriminatory practices in the Legislative Council of Papua and New Guinea that:

"... the main reason for submitting the bill was that certain instances of discrimination and segregation were still occurring in the Territory".

(1230th meeting, pages 37 and 38-40)

At our meeting today we have witnessed a situation that is not new at this session of the Council. On the one hand we see the ensemble of the colonial Powers, mainly two Powers, Australia and the United States. It is not known yet which of the representatives of those two countries defends best the position of Australia in this question of Papua and New Guinea. So we have this ensemble of two Powers who speak against the objective description of the situation in the Territory. On the one hand, we have the fully justified attempts by other delegations, at long last, to bring into the picture and into the work of this Council features of realistic judgement, to bring into the discussions some semblance of reality. Some of them, who were members of the Visiting Mission to the Territory in 1965, are subjected to immediate, and I would say concerted, attack by the two Powers that I have already mentioned.

A rather queer impression is gained. One would think that some members of the Visiting Mission had travelled around with their eyes closed when they went to the Territory. Others, on the other hand, tried to look at everything and tried to learn as much as they could; they tried to examine in depth everything that was shown them. This is an impression that I started to gain at the very first stages of the work of the Council, and this is an impression which grows.

The representatives of two different countries were members of the very same mission to the Territory; yet they saw two different things altogether. One of them saw features of racial discrimination; the other did not. On the other hand, the representative of one of those two countries did not see what could be described as a fishing industry in the Territory; the other did, and finds it essential to defend his point of view in the Council.

The Soviet delegation reverts to its initial position, and that is that this discussion which has just taken place is interesting. It has helped us ascertain the true situation in the Territory. The Soviet delegation feels that such discussions should be welcomed.

Mr. McCARTHY (Australia): I should just like to say without taking up more time in this Council that I "concert" with no one in trying to place before this Council the facts of the situation in New Guinea, with which I happen to be very familiar indeed. If any of my colleagues have a different impression, they are perfectly entitled to express that different impression. If my colleague from Liberia has an impression, he is perfectly entitled to express that impression. I concert with no one. I speak from a very considerable knowledge of these matters about which I am speaking. Whether my colleague from the United States or any of my other colleagues at this table had spoken on this matter, I would have spoken exactly as I did and as I have spoken here many times before.

Mr. EASTMAN (Liberia): I, too, will not bore the Council with an extension of this debate. The representatives of Australia and the United States think that there are no discriminatory practices in housing. But ghettos are now being created -- and when I say "ghettos" it is just the very beginning -- but because the rents are so high an expatriate person is given an additional allowance to pay for housing and the indigenous person who would like to inhabit that type of house cannot do so because of finances. If that is not discriminatory, then I should like to be told what it is.

With respect to wages, if two persons teach the same class, let us say the second standard, and one is from Australia or England and he receives a higher salary than the indigenous person -- if this is not discriminatory, I wish they would tell me what it is.

The schools for non-indigenous children are obviously inferior in their curriculum and everything else. Accommodation is poor, although in some instances suitable. I should like for them to tell me what it is, if not discrimination, when the non-indigenous child is permitted to have everything he wants.

With regard to shopping, if Papuans and New Guineans must stand outside a window to purchase from a store, while only expatriates are permitted inside -- if this is not discriminatory, I wish they would explain to me what it is.

But as I promised not to belabour this question, I will end now. However, I remember a parable that we always use in Africa: "When a man admits being colour-blind, you do not ask him to show you the colour of the trees."

Mr. DICKINSON (United States of America): I resent the efforts of the representative of the Soviet Union to divide me from my other colleagues on the Visiting Mission. We were four individuals sent out by our Governments in response to the appointment of the four countries. We all went there with an idea of seeing as much as we could, as objectively as we could. It is not strange in the free world, to which all the members belong, that they might possibly differ in their interpretation of what they saw. I submit that if there is anything that is really consistent in this Council, it is the failure of the representative of the Soviet Union to find anything constructive that has been done by the administering Power. This is true in the case of all subjects, of all Territories discussed in this Council. He has failed to note any achievements or advances. However, the Visiting Mission did note many, and I think that stands in the record.

The PRESIDENT (interpretation from French): We now come to the ninth Soviet amendment, which is to insert a new paragraph after paragraph 14.

Mr. McCARTHY (Australia): This matter of wages is a very vexed question indeed. The discrepancies which exist in wages in the Territory are not a reflection, and are in no way intended to be a reflection, of racial differences. We have the simple fact that in Australia we have a country of full employment. There is no shortage of jobs in Australia; on the contrary, it is the skills that are in short supply in Australia. Australians therefore do not have to go overseas, to New Guinea or anywhere else, to get employment. So that if you wish to get the skills you need in a place like New Guinea at the present time, those skills have to be paid for at rates in some way comparable to what most of the people concerned could expect in their own countries; otherwise, for the most part you will not get these people, you just cannot get them. This, I believe, has been the experience of virtually all similar areas throughout the world, and New Guinea is no exception.

With regard to the disparities in wages that do exist, nobody attempts to deny them. The Special Representative has pointed out here, in reply to questions, that an intense effort is being made at the present time to investigate every aspect of wage disparities in the Territory. I think he mentioned, for example, the Rural Wages Commission, which is right now enquiring into the disparities which exist. What will be the result of that Commission's activities -- that Commission which, again if I remember rightly, is made up of indigenous people as well as employers in the Territory -- I do not know. But while the situation does exist, it is a reflection of an economic circumstance which is not easily overcome.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): All the explanations given by the representative of Australia in the matter of racial discrimination in the wages paid in the Territory have failed to convince the Soviet delegation that the difference of five to ten times can ever be justified by economic circumstances or by difficulties in finding suitable people in Australia to work in the Territory of Papua and New Guinea.

I have also said that the Special Committee of Twenty-Four too expressed its concern with regard to this question, and what it said in its report to the General Assembly I will quote now:

"Existing disparities in the wages of the indigenous people should receive the immediate attention of the administering Power with a view to their elimination." (A/5800/Add.6, page 230, paragraph 149)

Mr. HOPE. (United Kingdom): I have listened with great interest this morning to the discussion we have had on discrimination, whether it be racial discrimination, intellectual discrimination, economic discrimination or, indeed, discrimination in rates of pay. The last point is that to which the Soviet representative has directed our attention in the amendment he has proposed to this paragraph in the report. My delegation is certainly against discrimination. This fact is well known. We are also in favour of equal pay for equal work. But I think the problem before us is how to reach this situation. It seems to me that the proposal now put forward by the representative of the Soviet Union that each and every existing difference in wages paid to foreign and indigenous workers should, so to speak, forthwith be halted, would have only the effect of the foreign workers removing themselves from the Territory.

I see that in the report on New Guinea of the Visiting Mission, document T/1635 which was issued on 28 May 1965, mention was made of this problem, and the Visiting Mission suggested that the Australian Government would do well to consider whether there is any way of giving satisfaction to the call for equal pay for equal work while maintaining the incentive to expatriate public servants. This seems to me to be the line on which the Administering Authority aims to pursue enquiries into this matter. It is important, I think, to maintain the incentive on all expatriate public servants to do their jobs. Many of us around this table are expatriate public servants and I am sure that many of us get paid more in New York than we would be paid in our own countries. We do not regard that as discrimination -- at least I do not.

I find it difficult to vote in favour of the amendment that has been put forward by the Soviet delegation, although I would wish to refer the Administering Authority to the recommendation made in the report of the Visiting Mission.

Mr. McARTHUR (New Zealand): My delegation feels that it can speak, in a sense, with a certain degree of experience in this matter because of the relationship that exists between the markets of Australia and New Zealand for a certain type of labour. More highly developed countries, including Australia, tend to pay their workers higher salaries and hence attract workers from other countries in search of higher earnings. New Zealand itself loses many of its highly qualified people to other countries, including Australia, through the operation of this economic reality. Now to take the converse case, which is what we are considering here, to attract workers to Papua and New Guinea from the highly developed Australian economy, it is obviously necessary to offer salaries that will not act as a disincentive. After all we must remember that the United Nations itself recognizes the necessity of doing this in the salaries it pays to its experts working in less developed countries generally. The alternative to lowering the salaries of the expatriates would be to raise the level of the salaries paid to New Guineans. My delegation is not in a position to pronounce itself on this question, but it would seem, on swift examination, to impose a heavy burden on the resources immediately available to New Guinea at its present stage of development.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): Two observations only. First, the view reflected in the Soviet amendment on this question is held not by the Soviet delegation alone. If I may, I should like to draw the attention of our United Kingdom colleague to the fact that that same view was advanced, and in fact approved formally, by the Special Committee of Twenty-Four.

Secondly, it is unfortunate that in the Territory developments have proceeded not to better the lot of the indigenous population but, on the contrary, to worsen it. It is a well-known fact that considerable discontent was provoked in the Territory by the 1964 law reducing by 40 per cent the pay rates for indigenous people in the public service and because of this also violent discussion took place early this year in the House of Assembly.

If I may, I should like once again to call to the Council's attention an article by the correspondent of the Pacific Islands Monthly, which I believe is owned by a British firm and published in Fiji. Most of its correspondents, if I am not mistaken, are British citizens. That publication, in its February 1965 issue, had this to say on page 11:

"The attack had been concentrated on the discriminatory features of the pay rates, where £3,000 sterling was earmarked for Australians, and only £500 for New Guineans in the same positions."

The PRESIDENT (interpretation from French): I now put the Soviet amendment to the vote.

The amendment was rejected by 4 votes to 2, with 1 abstention.
Paragraph 15 was adopted by 6 votes to none, with 2 abstentions.
Paragraph 16 was adopted by 6 votes to none, with 2 abstentions.

The PRESIDENT (interpretation from French): We shall now proceed to vote on paragraph 17.

Mr. FOTIN (Union of Soviet Socialist Republics) (interpretation from Russian): Mr. President, before you put paragraph 17 to the vote, the Soviet delegation would request that you kindly take separate votes: first, on the first sentence of paragraph 17; second, on the subsequent part of the second sentence. I quote the latter in English:

(spoke in English)

"... expresses the hope that there will be a continued search for means to resolve the problem.

The PRESIDENT (interpretation from French): We shall now vote, therefore, on the first sentence of paragraph 17, which starts with the words: "The Council commends", and ends with: "public health".

That sentence was adopted by 7 votes to 1.

The PRESIDENT (interpretation from French): We shall now vote on the phrase which reads: "... expresses the hope that there will be a continued search for means to resolve this problem."

That phrase was adopted by 7 votes to none, with 1 abstention.

The PRESIDENT (interpretation from French): We shall now vote on paragraph 17 as a whole.

Paragraph 17, as a whole, was adopted by 6 votes to none, with 2 abstentions.

The meeting rose at 1.05 p.m.