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VERBATIM RECORD OF THE TWELVE HUNDRED AND FORTY-SEVENTH MEETING

Held at Headquarters, New York,
on Wednesday, 2 June 1965, at 3 p.m.

President:

Mr. NAUDY

(France)

Examination of annual reports of the Administering Authorities
on the administration of Trust Territories: conditions in the
Trust Territory of the Pacific Islands [4a]

Organization of work

Note: The Official Record of this meeting, i.e., the summary record, will appear in provisional mimeographed form under the symbol T/SR.1247 and will be subject to representatives' corrections. It will appear in final form in a printed volume.

AGENDA ITEM 4 (a)

EXAMINATION OF ANNUAL REPORTS OF THE ADMINISTERING AUTHORITIES ON THE ADMINISTRATIVE OF TRUST TERRITORIES: CONDITIONS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS (T/1633; T/L.1089; T/PET.10/L.8 and T/PET.10/L.9 and Corr.1) (continued)

At the invitation of the President, Mr. Goding, Special Representative for the Trust Territory of the Pacific Islands under United States administration, took a place at the Trusteeship Council table.

The PRESIDENT (interpretation from French): The Council will continue to put questions to the Special Representative of the Administering Authority.

I now call upon the representative of the Soviet Union who, I believe, still has certain questions which he wishes to put.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): According to the Special Representative of the United States, the budget for the administration of the Trust Territory amounts to \$17,343,000. I should like to know what proportion of this sum is to be credited to education, to public health, and to the development of the economy, separately for each one of these three items.

Mr. GODING (Special Representative for the Trust Territory of the Pacific Islands under United States administration): The basic breakdown of our budget programme is contained on page 232(T/1633). The allocations there, and this is for fiscal year 1964, indicate a total of \$1,400,000 for the Department of Health, \$1,928,000 for the Department of Education, and \$1,179,000 for economic and political development, the economic side being \$620,000.

I hope that that answers the question of the representative of the Soviet Union.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): Could the Special Representative of the United States tell us whether these credits, or the whole budget, are sufficient to meet the goals of developing the economy and improving public education and public health in the Territory, in his opinion, or is this budget insufficient?

Mr. GODING (Special Representative): The figure that was indicated is one that in my estimation and for the year in question was quite adequate. Speaking as an administrator, I think we would have to concede that there are always things that we would like to have that we cannot have. But, in terms of the growing programmes and their acceleration, the amount that we had covered quite adequately our ability to fund and to carry out the rapidly growing programme. I am not in a position to say how far ahead we can project this level as being one that would be satisfactory. The appropriation, however, was one that was nearly three times what it had been two years earlier and there is a definite limit in the rate at which expenditures can be increased in carrying on an effective and reasonably efficient programme.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): My next question will probably be addressed to the representative of the United States Government. We have heard the amount of the appropriations, and we know the budget for twenty years. It is rather easy to add up all these figures. In order to help us to take the decision which we intend to present to the Trusteeship Council, we should like the representative of the United States to tell us what comparative data exist concerning military expenditures, administrative expenditures, and those necessary to meet the needs of the population in the Trust Territory. What does the representative of the United States have to say on this score? In other words: in the twenty years that this Territory has been administered by the United States, how much has the United States spent on public education, public health and the development of the economy of the Trust Territory and how much has it spent in the same period on the building and setting-up of objects of military importance in the Territory? I suppose that these data have a direct bearing on the last part of the answer given by the representative of the United States, when he said that they would like to spend more but would have to confine themselves to certain limits owing to the resources available to the United States.

Mr. DICKINSON (United States of America): The budget of 17.5 million is entirely devoted to the administration of the Territory. None of it goes for military expenditures. Any military expenditures of the United States are of course in the defence budget and have nothing to do with the administration of the Territory.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): I should like to take note of the fact that the representative of the United States did not answer the question which I asked, and during the discussion, using data published in the Press, I shall have to prove that expenditures by the United States in the Trust Territory for military purposes are vastly higher than those devoted to fulfilling the needs of the population in the Territory during the period in which this Territory has been administered by the United States.

Since I have stated in advance that I am going to propound this thesis, I should like to ask the representative of the United States and the Special Representative if they are able to give us some explanation refuting this state of affairs, and to do so if they are willing. If they are not, I take note of the fact that they did not want to present these data to the Council, because the answer given by the representative of the United States could certainly not be construed as an answer to my question. He could merely say "I do not want to answer" -- he has answered that this question has no bearing on the financing of the budget of the Territory. I assert that this is wrong. We cannot accept that the question be put on that plane, since expenditures come from the same source -- the same pocket -- and if there is not enough money in that pocket to satisfy the needs of the population and raise its standard of living and if, at the same time, huge expenditures are devoted to ends having nothing to do with the standard of living of the population of that Territory, these questions are vitally linked one to the other. Lest the representative of the United States be offended by what I say, or if he has nothing to add, I will pass on to the next question. Since he has already stated that I have adopted an attitude which made it difficult for him to answer, in passing to the next question I shall remain silent for a minute, hoping to get some further clarification. If no such clarification is forthcoming, I have two or three more questions.

Mr. DICKINSON (United States of America): The representative of the Soviet Union does not seem to be satisfied with my reply, so I shall repeat again that no part of the budget of the Trust Territory goes for defence. The High Commissioner has stated that he has sufficient funds for the moment. He wants to employ his funds efficiently, and I have no doubt that he will be asking for increased appropriations as the years go on, and as he is capable of absorbing them. This is my understanding of his intentions.

The defence budget of the United States may be of interest to the Soviet Union; I would not be surprised if it were. However, I think that it has no bearing here. The United States has certain responsibilities to its people and, as a matter of fact, to the people of the Trust Territory. These are even set

(Mr. Dickinson, United States)

forth in the Charter of the United Nations. However, I think that the defence budget of the United States is not the subject of this discussion.

Mr. MCROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): I now take note of the fact that the representative of the United States evaded answering my question, since there could only be one answer to that question: that the military expenditure of the United States in the Territory is dozens of times higher than the funds devoted to the economy, public health and public education in the Trust Territory.

Now I would like to pass on to the next question. The recommendation of the Committee of Twenty-Four which I often mention (document A/5800/Add.6) states, inter alia, in paragraph 65 (page 176), that the Administering Authority should work out a general development plan, a plan to develop the economy and increase production. I would like to know whether this recommendation of the Committee of Twenty-Four is being carried out by the Government of the United States. If not, I would like to know why -- and I would like to state in advance that a mere repetition of the economic measures that have been taken and that are described in the statement of the Special Representative to the Council are insufficient. I would like to know whether there is an integrated plan for the development of the Micronesian economy as prescribed by the Committee of Twenty-Four. If there is such a plan, can it be given to the Trusteeship Council?

Mr. DICKINSON (United States of America): The Soviet representative has again resorted to his tactic of making a statement in connexion with the question under discussion and then passing on to something else. I should like to revert to the first part of his statement -- he left me without an opportunity to reply by posing a different question. I have already stated my reply, but I should like to add to it in view of what he has said about education, health and all the other things in which people are interested throughout the world.

The United States of course regrets that it must, because of the responsibilities which it bears in the present world situation, spend so very much of its budget and of the income of the people of the United States on defence; regrettably this is a necessity.

He then passed on to another question and, I am sorry to say, maybe I should answer it and not the Special Representative. So I would ask him to summarize his question, or to repeat it, because I was thinking of my reply and did not understand his question.

The PRESIDENT (interpretation from French): If I understood what the representative of the United States said, he asked the representative of the Soviet Union to be good enough to repeat the question which he put just now. May I ask the representative of the Soviet Union to be good enough to repeat that question.

Mr. MOROZOV (Union of Soviet Socialist Republics)(interpretation from Russian): With great pleasure, Mr. President.

In document A/5800/Add.6 -- to which I have very often referred -- containing recommendations of the Committee of Twenty-Four on the Pacific Islands, we read in paragraph 65:

"The administering Power is requested to set up urgently an over-all economic plan in order to develop and strengthen the economy and increase production."

I ask whether there is such an over-all economic plan in order to develop and strengthen the economy and increase production? Is there such a document which could be presented to the Trusteeship Council?

(Mr. Morozov, USSR)

In order to avoid misunderstandings, and mindful of the United States representative's request that I should repeat my question, I should like to say in advance that I will not be satisfied with reference to various passages concerning economic measures contained in the statement of the Special Representative of the United States which we heard and whose text has been distributed. I should like to know whether, pursuant to the recommendation of the Committee of Twenty-Four, there is such an over-all plan as the one mentioned in paragraph 65. Could such a document be presented to us, if only to enable us to evaluate the measures which the United States Government intends to take in pursuance of the recommendation of the Committee of Twenty-Four?

Mr. DICKINSON (United States of America): First, I should like to thank the representative of the Soviet Union for his courtesy in repeating his question. It is very helpful for us to deal with one question at a time.

I should like, before turning the floor over to the Special Representative to answer the question which has been clearly put, to say that I find it surprising and somewhat disconcerting and, possibly, disrespectful of this Council that, since this morning, almost all we have heard has been about the Committee of Twenty-Four. We are not the Committee of Twenty-Four; we are the Trusteeship Council. We were established by the Charter of the United Nations. Under that Charter this Council was established and the Security Council, in accepting this Territory as a Trust in the Agreement delegated this Council, by resolution, the task of discussing the problem. There is of course no reason why the Committee of Twenty-Four may not be mentioned from time to time, but I am quite struck by the fact that we hear very little about this Council. The Council has performed its work well over the years; most of its work has been completed, as we know. The Council sent a Visiting Mission to the Trust Territory of the Pacific Islands in 1964 -- I have not heard any questions about the recommendations of that Council. I should like also to say that there is on the agenda of this Council an item concerning co-operation with the Committee of Twenty-Four and I had presumed that we would discuss that under that agenda item.

I should mention that, in response to both Trusteeship Council and Visiting Mission recommendations concerning the need for economic development plans, the High Commissioner has announced such a plan, and I wish that the representative of the Soviet Union would acknowledge, or at least not ignore, that the United States has fulfilled these recommendations of the Trusteeship Council and the Visiting Mission.

Now perhaps the Special Representative could add to this and answer the question more fully, as we are always anxious to do.

Mr. GODING (Special Representative for the Trust Territory of the Pacific Islands under United States administration): I did allude in my opening statement to a contract which we had just made with a leading consulting firm, which is just now undertaking the analyses and making staffing arrangements to prepare a new integrated plan. This is not to say that we have not had plans -- we have not had the plan in the form of a comprehensive document or a single statement that could be handed over at this time. This is one of the things we will get as a result of the contract entered into on 1 April last. The staff is now being assembled to carry on this phase of our planning and our programme development.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): Therefore, according to the last answer given by the Special Representative, one has to ask another question. Is one to understand that, since the firm mentioned by the Special Representative is entrusted with the drawing up of such an over-all plan, in twenty years of administration the United States Government and Administration did not prepare such an over-all plan? If that is so, why is it that it is only in the twentieth year of its administration that the United States, after such a long period of delay, has finally embarked upon such a course and has entrusted the task to a firm? This question is addressed to the Special Representative.

As to the answer given to my question by the representative of the United States, I should like to ask him an additional question. Is one to understand this constant mention of the United Nations Charter as a denial of the competence of the

Committee of Twenty-Four in questions with which, in accordance with resolution 1514 (XV), the Committee has been entrusted, that is to say, the Declaration on the granting of independence to colonial countries and peoples? And in this connexion, since this has been repeated many times by the representative of the United States, I should like to ask whether he considers that the Declaration on the granting of independence to colonial countries and peoples (resolution 1514 (XV)) runs counter to the Charter of the United Nations?

These are two questions -- one to the Special Representative, the other to the representative of the United States -- which I ask immediately so that one of them, depending on who answers first, should have a chance to reflect upon his answer.

Mr. DICKINSON (United States of America): We spoke on the subject this morning -- I think I said a great deal on the subject -- the fact is that the United States considers that the essential elements of resolution 1514 (XV) are applicable to the Trust Territory of the Pacific Islands.

At the same time there are other documents, other provisions of the Charter applicable. I think that we should consider them all. In the case of resolution 1514 (XV) and the Special Committee -- repeat that that is item 8 of our agenda -- I presume that we shall be talking about it in some detail.

As for the first part of the question I think that the Special Representative is prepared to reply.

Mr. GODING (Special Representative): I can only add that I feel that the representative of the Soviet Union misconstrued my remarks in so far as I alluded to the initiation of a new planning effort, of a rather major effort to restudy and reappraise and to document an over-all integrated development plan. I did not say that there had been no plans. There have been many plans, many documents, some of the plans are no longer relevant, some are outdated, but economic planning, development planning, as our friend the representative of the Soviet Union is surely aware is a continuing and growing process and one plan leads to another. The new effort is to state and to prepare a complete, comprehensive plan that is current; one that we can use for the next several years as a guide to our economic programming. We have had in many areas, and we are carrying out, many phases of previous economic planning efforts. I draw the distinction between having plans, having conceptions and having a document which is current and applicable at the present time. Our present effort is to get such a document and further to implement it.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): I should like to know who owns the Van Camp Sea Food Company which got rid of the surplus fish in the Territory. Who owns this firm and what dividends were paid in 1963-1964 by the Van Camp Sea Food Company?

Mr. GODING (Special Representative): I am not sure that I got the firm import of the question. I understood that the representative asked for the dividends paid by the Van Camp Sea Food Company. Is that correct? May I ask the representative of the Soviet Union, perhaps, to repeat the key points of his question?

The PRESIDENT (interpretation from French): Would the representative of the Soviet Union be good enough to repeat his question, as is requested by the Special Representative?

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): I am asking who owns the Van Camp Sea Food Company, which has a monopoly of the fish caught in the Trust Territory: the second question is whether the Special Representative knows of the profits of this company in 1963-1964, its general profits for this period. Two questions, therefore.

Mr. GODING (Special Representative). The Van Camp Sea Food Company, which has an operating contract to conduct a fishing and freezing business in the Palau district, has no monopoly on the fish in that area. Any fish within territorial waters under our law belong to the public and are available for any fisherman to take. The Van Camp Sea Food Company is, within that particular industry, a publicly held company, an American corporation -- I do not know the exact ownership, I know that it is now a subsidiary company Ralston Purina Company. Profits from that operation in the Trust Territory -- of course, there were none in 1963, they began operations in August 1964. Again, I cannot say what their profits from this relatively small phase of their over-all operation were. We cited a figure of something like \$250,000 as the gross value of the tuna that were processed and exported from the Territory in the year ending this June 30th -- this was a projected total. I have no idea as to what the profit margin, if any, might be. It is quite likely that in the initial phase of the new operation there was no profit at all, it is quite likely that there was a rather substantial developmental cost and in developing an enterprise of this sort it is quite normal that such companies anticipate a loss for a period of two, three or four years, while they get the project under way. I hope that that answers the question.

The PRESIDENT (interpretation from French): I give the floor to the representative of the United States on a point of order.

Mr. DICKINSON (United States of America): I am very sorry to interrupt the proceedings on a point of order but it has just been called to my attention that we have no verbatim reporters here today. I have also made some inquiries and been told that we will have a verbatim record; that it will be done by other means, but that it is unlikely that we shall have the verbatim record tomorrow morning as is the custom, as has always been done and as we are used to. I think that all delegations here certainly mind and I should imagine all others at this table, without exception, would depend on these.

We are going to continue the questioning tomorrow afternoon, I believe, and I should think that by Friday various delegations will be making general statements. I believe that they, like myself, will feel rather handicapped if there is a delay of several days in getting the verbatim records. This body, as I have said before, is a major constitutional organ of the United Nations. There have been times in the past when we have had to defer to the Security Council; we understood that, as that Council is the supreme body of the Organization, in many respects, and it takes priority over this one on certain occasions. However, I am not aware that the Security Council is meeting now and I hope that you, Mr. President, will take my comments not as being in any way critical of the Secretariat, for which I have the highest admiration. The services they furnish us in every field, including the interpretations, are, to my mind, of the highest order. However, I think I should not be doing my duty if I did not call this to your attention, Mr. President, and ask you, very respectfully, if you could see that in the future we do have a verbatim record. If that would necessitate our meeting in the morning instead of in the afternoon, my delegation, for one, and perhaps others, would be willing to change our plans.

The PRESIDENT (interpretation from French): I thank the representative of the United States for his statement. I now call on the Secretary of the Council on a point of order.

Mr. RIFAI (Secretary of the Council): I assure the representative of the United States that I will take up this question with the Office of Conference Services and shall do my utmost to see that this request is fulfilled. I think that due to the pressure of work on the Office of Conference Services, as I have been informed, they had to resort to this method of preparing the record. Apparently there is a meeting, as I see here in the Journal, of the Special Committee on Peace-Keeping Operations, at the same time, and since they are providing verbatim records for that meeting, apparently they were short of staff to cover the Trusteeship Council. However, I see his point and I shall certainly raise that question and the Secretariat will do its utmost to have verbatim records for the Trusteeship Council.

Mr. DICKINSON (United States of America): I asked for the floor simply to thank the Secretary for his explanation and for the efforts which he will make.

Mr. MOROZOV (Union of Soviet Socialist Republics)(interpretation from Russian): From the statement of the Special Representative we note that the copra produced in the Trust Territory is sold for \$130 a ton. Could the Special Representative explain to us why it was sold at a price considerably below average world prices, as can be found listed in data published in the Monthly Bulletin of Agricultural Economics and Statistics.

Mr. GODING (Special Representative): The answer is that we quoted a price at the initial point of purchase. The world prices to which the representative of the Soviet Union referred are the prices at the marketing and consumption centres. I believe that the field prices that we have in the Trust Territory are among the highest and that the difference -- the spread, or the cost factor -- is, now, as it is in any copra-producing area. The difference between \$130, the price paid, and approximately \$190 is the cost of handling, of preparing it for market, of shipping, of brokerage fees and of all the incidental factors that go into the cost of collecting and putting the copra on the market.

In addition, there is a deduction. A price is set by the Copra Stabilization Board and, as indicated in my statement, a small amount is withheld when the price trend is upward to help stabilize the price when the market moves downward. There is a deduction of some \$75,000 for this fund. I hope that this answers the question.

Mr. MOROZOV (Union of Soviet Socialist Republics)(interpretation from Russian): The Special Representative mentioned the Copra Stabilization Board. What sort of company is that? Does it have United States capital?

Mr. GODING (Special Representative): It represents the producers' capital. It is not a company, in the ordinary corporate form. The Board itself is a governmental board; the fund is equitably the property of the copra producers. It is, as the name implies, a stabilization fund. The Board is made up of certain staff people and two representatives chosen to represent the producers -- two Micronesian members of the Board. The Board meets quarterly, studies market conditions, establishes the price and carries the financing of moving the copra from the islands into the world markets. It is not a company; it is not owned, and the equity is in the producers. It is really a mutual -- not labelled as a co-operative but in essence a mutual and almost a co-operative enterprise.

Mr. MOROZOV (Union of Soviet Socialist Republics)(interpretation from Russian): On page 12 of the English text of the statement made by the Special Representative, we find the figure "50,000 revenue tons". Could the Special Representative tell us what this was?

I am sorry; I made a mistake when I said that in 1964 there were 50,000 revenue tons. The increase was 50,000 tons, I am told, and the document tells us that the total was 111,584 revenue tons lifted in 1964.

I repeat my question -- could we have a general description of what this tonnage represents?

Mr. GODING (Special Representative): The tonnage, the freight, is in effect the full movement of all sorts of goods -- construction materials, consumer goods, the exports of copra and any other products exported. The increase alluded to is, of course, very closely related to the very great increase in our construction programme. This includes lumber, cement, construction equipment, in fact everything that goes into building schools and other public facilities. It also represents a very substantial increase in consumer goods that have been brought in -- foodstuffs, canned foods, clothing, petroleum products, everything that goes into the local economy from other parts of the world.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): I hope that this will be my last question pertaining to the statement which we have just heard.

I should like to know, in connexion with that part of his statement dealing with the status of the Rongelapese, what claims for compensation and claims for what amounts were presented by persons suffering from the effects of thermonuclear testing on the island of Rongelap. How many years were required to examine these claims and have they been satisfied only to the extent mentioned in the statement: \$950,000? And how is it proposed to distribute this amount among the victims? Who is going to do this? What principles are going to be applied for allotting these various sums, since, in his statement, Mr. Goding said "I expect to make payment shortly after I return to the Trust Territory".

Mr. GODING (Special Representative): The situation is that the compensation being paid is not based on claims as such. We do not have individual claims. It is based on an average payment for general suffering. There is no attempt to measure, because of the difficulty of measuring in any exact way individual differences in personal injury or suffering. It is being made, in effect, as a gratuitous payment which would average something better than \$10,000 for each of the individuals who were subjected to radiation in the accident that occurred ten years ago. The payments will be made on a per capita basis, on an average of slightly more than \$10,000 per individual. They are not based on any precise individual claims.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): To my two questions concerning this matter I have apparently not had an answer from the Special Representative, so I repeat. First, what was the amount of claims presented? I should like to know what amount was claimed in order to be able to find out what percentage of this amount of the claims has been satisfied. I did not receive an answer to this question. Nor did I receive an answer to the question how many years were required to take a decision concerning this partial satisfaction of claims, if claims were indeed higher than the figure of \$950,000 mentioned in the Special Representative's statement. I request an answer to these two questions.

Mr. GODING (Special Representative): I believe that I answered the question that these were not based on claims filed as claims. The fact is that shortly after the accident any loss or damage to property and to other physical assets were compensated for immediately and the present payment is a compassionate payment not based on claims. We do not have any claims as such for the personal injury and suffering endured by the people of Rongelap.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): I am not going to chance asking for an answer again to my questions since, obviously, they do not want to give me an answer and there is nothing that I can do about it. That is to say, the amount of the claims presented by the victims. What was the amount of these claims? I want a comparison but they do not want to give me an answer. Well, let them answer at least the question of how many years were required to take a decision concerning a partial compensation to the amount of \$950,000, which was finally decided upon by the Government of the United States. How many years were required for that?

Mr. DICKINSON (United States): The question has been asked twice and it has been answered twice by the Special Representative. It has been asked a third time, so I shall answer it. Perhaps that will help, although I have exactly the same thing to say.

There were no claims. The people did not formulate or present claims. Immediately after the accident, estimates were made of the damage, people were compensated for the loss of homes, property and other such things. This happened immediately afterwards. That answers the time element question.

There has, however, been a decision by the Congress of the United States to provide additional and gratuitous compensation. This is the compensation to which we refer, which has just been passed in the form of a supplemental appropriation of \$950,000, which will be paid shortly. I believe that for the third time we have answered the question. I hope that we will go on to other business.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): I see that neither the United States representative nor the Special Representative can tell me how many years were required for the Government of the United States finally to take a decision concerning partial compensation to the victims of their atomic tests in the Trust Territory, which were, from the point of view of the Charter which the United States representatives like to talk about, completely illegal. They just cannot tell us how many years were required for these poor people finally to see the dawn of the day when they were to obtain partial compensation. If they do not want to answer, if they cannot tell us how many years were required we will say it in our statement in order not to transform this stage of our work into a general debate, but I am prepared to ask questions of those representatives a fourth and a fifth time.

(Mr. Morozov, USSR)

How many years have the victims of their illegal atomic experiments in the Territory waited for compensation for the damage done to them? How many years since these tests were carried out? As a result of these violations, there were a considerable number of victims. We would like to know how many years have elapsed. You should have the courage to tell us that.

Mr. DICKINSON (United States of America): There was no illegality -- no violation of the Charter in the tests that were held. As for the length of time, I will repeat that the teams moved in immediately; they compensated the people as soon as estimates of the damage could be made. There was no delay -- no number of years' delay.

Furthermore, in the succeeding years, a medical team which has devoted itself to nothing else has gone to visit these people, examined them, given them all sorts of additional medical treatment because they were there on things that had nothing to do with this. Those people have had constant care and attention, and this has culminated this year with the passage of a supplemental appropriation. I think that I have now answered the question for the fourth time.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): Well, for the fifth time I shall have to answer the question myself when I make my statement on this matter. I do not want to insist at this juncture.

Finally, the last question: it is addressed to the representative of the United States, because the Special Representative could not answer it. How long a time would it take to work out the attitude of the Government of the United States when, finally, the people of Micronesia will obtain full powers in the Trust Territory, so that the United States will consider that its mandate has expired, after granting independence to the populations of Micronesia. According to the over-all calculations and plans of the Government of the United States, when is this day going to arrive?

Mr. DICKINSON (United States of America): The representative of the Soviet Union seems to have run out of questions. We heard this one this morning and I answered it. I will be glad to answer it again.

The United States subscribes particularly to operative paragraph 2 of General Assembly resolution 1514 (XV); it subscribes to the Charter even more particularly,

(Mr. Dickinson, United States)

because that takes precedence. The Charter states that the Administering Powers shall advance the people towards self-government or independence in accordance with their freely expressed wishes. It does not presume to set dates for this; obviously, the situation in different Territories of the world is different -- each one is unique unto itself. In operative paragraph 2 of resolution 1514 (XV) it is also stated that the people shall freely express their views. We have said ourselves that we await this action by the people; we look forward to the time when they feel ready to express their own views as to their future.

The 1964 Visiting Mission reported to this Council just last year that there was no mature political opinion in the Territory. Mr. Bailey Olter, an elected member of the legislature, has told us this morning that the people will express their views when the time has come. That is the position of my Government.

Mr. MOROZOV (Union of Soviet Socialist Republics) (interpretation from Russian): The last thing that I should like to say, therefore, if I understand matters correctly -- and I stand to be corrected, of course; if I am mistaken, I will be glad to be corrected -- what the representative of the United States told us at the beginning of the meeting and what he told us now, no time-limit has been set in the foreseeable future for the implementation of resolution 1514 (XV) in the case of the Pacific Islands. No such date has been set by the Government of the United States, and the representatives of that Government have nothing definite to say on this score except what they have said.

If this is so, I shall give my view of this situation in my statement during the general debate on this matter.

The PRESIDENT (interpretation from French): I think that other delegations might want to ask questions of the delegation of the United States.

I call upon the representative of France.

Mr. GASCHIGNARD (France) (interpretation from French): First of all, I should like to avail myself of this first opportunity to speak in this Council to congratulate the representative of the United Kingdom, Mr. Hope, on his brilliant election as Vice-President. I note that he has just stepped out, but I would like to ask his delegation to be kind enough to transmit to him the congratulations of the French delegation.

(Mr. Gaschignard, France)

I should also like to welcome our Secretary, Mr. Rifai, whose great experience in matters of interest to us is well known.

Finally, since we speak of Pacific Islands and the United States administration, I should like to welcome the High Commissioner, Mr. Goding, and Mr. Bailey Olter, as well as the other representatives of the Micronesian population.

From the very interesting statement that Mr. Goding gave us on the administration of the Islands, it is I think the passage on the Congress of Micronesia that is most noteworthy, and it is especially on this matter that the French delegation would like to ask some questions of the United States delegation. The first of these would be as follows: the Special Representative told us this morning that legislative measures, which the Congress of Micronesia would take, could not be contrary to the laws of the United States applicable to the Territory. He added that these laws were not very numerous and did not in any important manner compromise the legislative powers of the Congress. Could he give us some supplementary information about this? Could he indicate what is the object and the scope of these laws of the United States that are involved?

Mr. GODING (Special Representative): The specific acts of the United States Congress which apply to the Trust Territory are, I believe, fewer than six in number. One is the act authorizing appropriations for the Government of the Trust Territory -- in other words, the act required under our Congressional procedures for the Congress to make appropriations for the operation of the Trust Territory government. Secondly, there is a short act which extended certain provisions, such as a review of our fiscal operations by the General Accounting Office -- an act which permits the government of the Trust Territory to have the benefit of certain other services, the procurement operations under our General Services Administration. The government of the Trust Territory is, therefore, permitted to make purchases through the Federal Government.

There are a small number of such specific acts. Last year we had -- and succeeded in securing -- a further enactment; we referred to it as the Omnibus Bill which permits the government of the Trust Territory to draw on certain professional and technical services of other agencies of the United States Government, without being covered as part of our appropriations ceiling. We can call on the Geological Survey to make geological studies. They put a limit on this, as to how much of this type of service we can obtain without reimbursement. They authorize the transfer of the fund for island trading companies that I alluded to into our

(Mr. Goding, Special Representative)

Economic Development Fund. This constituted an additional grant in effect to the Government of the Trust Territory.

They permitted the registration of Micronesian radio operators to operate under license by the United States Federal Communications Commission. Altogether the number of statutes -- and they have been of this nature -- take very few pages in the United States statutes, in the code of the United States. I am subject to correction, but I believe that none of the general laws of the United States -- criminal law and that type of thing -- applies in the Trust Territory. The legislature, therefore, has an extremely wide range of legislative authority on practically every matter affecting the general public -- the whole area of criminal law, the whole area of business law, the whole area of administrative services and provision for public services. The United States statutes that apply had been these rather specific types.

I hope that this answers the question of the representative of France.

Mr. GASCHIGNARD (France) (interpretation from French): The next question which I should like to put is as follows: these two chambers, do they have identical powers or is one of them of a slightly higher rank? Or does it have special powers in certain fields?

Mr. GODING (Special Representative): No, the two bodies have, I would say, fully equal and equivalent legislative authority. Of course, the method of operation would require concurrence of each of the houses in the enactment of any legislative proposal. There is no basis -- no official basis -- for ranking one house above the other. This may be done partly in terms of the smaller number in one body as contrasted with the other, but each of the houses is equal.

Mr. GASCHIGNARD (France) (interpretation from French): In Section 4 of the Secretarial Order it is stated that the High Commissioner can recommend legislative measures to the Congress. I suppose that -- and I would like to have it confirmed -- the same powers of initiative in the legislative field also fall within the competence of the members of the houses themselves.

Mr. GODING (Special Representative): Yes, the assumption of the representative of France is correct. It is inherent in the legislative mandate that each member of the legislature has individually the power to introduce legislation. The legislative programme that might be presented by the High Commissioner is just another avenue, and the members of the body are completely free to accept or reject the proposals that the Administration might put forward -- or to modify them in any way.

Mr. GASCHIGNARD (France) (interpretation from French): Could the Special Representative tell us how many officials have been elected at the last election, because present rules provide that officials can be elected?

Mr. GODING (Special Representative): I am informed -- I did not have the figure at the top of my mind -- that between 55 and 60 per cent of the membership recently elected are public officials.

Mr. GASCHIGNARD (France) (interpretation from French): Mr. Bailey Olter told us this morning that the natural resources of the Territory were not very abundant. Could I know whether they are sufficient or not to assure a standard of living which we would consider sufficient, or is a part of the population required to emigrate to other islands in the Territory?

Mr. GODING (Special Representative): Certainly we have some areas, some islands, in which the resources are so meagre as to be a basic problem. Taking the Territory as a whole, the present population, I am optimistic enough to believe that, properly undertaken, we do still have a resource base that would enable us to develop an improved and quite satisfactory standard of living. We still have substantial land areas on some of the larger islands that are by no means overpopulated, and a properly developed programme, I think, will be of great benefit in raising the economic level. We have, of course, the resources of the sea that we have alluded to, and this is of less precise measurement, but it is a very substantial resource that can be brought into the total economy.

Mr. GASCHIGNARD (France) (interpretation from French): Could the Special Representative tell us what is the average yearly income per capita?

Mr. GODING (Special Representative): We -- I would concede, do not have a very accurate or a very good figure to present; in terms of dollars, as it has been worked out, it is still very low, probably well under \$100 per capita per year. This does not present a totally complete picture, because so much of the livelihood is outside of any measureable dollar economy, and to try to put a figure on the real per capita income is extremely difficult.

Mr. GASCHIGNARD (France)(interpretation from French): I should like to ask with reference to the field of education whether the schools are all public schools, or are there any private, religious or missionary schools.

Mr. GODING (Special Representative for the Trust Territory of the Pacific Islands under United States administration): We have both public and private schools, most of the private schools being missionary schools.

Mr. GASCHIGNARD (France)(interpretation from French): May I ask what the proportion is, the number of missionary schools and the number of students attending the missionary schools in comparison with the number attending public schools.

Mr. GODING (Special Representative): The figures for the year ended 30 June last indicate that we had 5,600 students in private schools and 18,190 in public schools. About three-fourths of the students are in public schools and one-fourth in private schools.

Mr. GASCHIGNARD (France)(interpretation from French): My last question is this. The Special Representative this morning noted that the Territory had continued to suffer epidemics of German measles and grippe. Have these epidemics caused any loss of life? Could he tell us to what these epidemics might be attributed and whether there is any hope of putting an early end to them?

Mr. GODING (Special Representative): In this spring's epidemics there were, I believe, a total of seven deaths indirectly attributed to the measles; there were complications where death actually resulted from other factors. But the incidence was high, and we are subject to a high rate of attack because of the relative isolation of the area. Diseases of this type appear, and the amount of immunity is relatively low. In this case we are making every effort to get an immunization programme to take care of this particular disease. We have had an experimental programme for the last three years conducted by national health institutes of the United States Public Health Service. In this particular area the development of vaccines is a comparatively new thing and we are watching this very closely, hoping to get satisfactory methods of inoculation and vaccines.

Mr. GASCHIGNARD (France)(interpretation from French): I have no further questions to put and I should like to thank the Special Representative for the very kind replies which he has given. His replies were very interesting.

The PRESIDENT (interpretation from French): In my capacity as President of the Trusteeship Council, I call on the representative of the Republic of China.

Mr. KIANG (China): Before I put questions to the United States delegation, may I first inquire of that delegation whether it is agreeable to having Mr. Bailey Olter seated at the Council table since I wish to direct my questions to him.

The PRESIDENT (interpretation from French): I call on the representative of the United States to reply to the question put by the representative of China.

Mr. DICKINSON (United States of America): I should be very glad, Mr. President, if you would invite Mr. Bailey Olter to take a seat at the Council table and answer questions.

At the invitation of the President, Mr. Olter, Adviser, United States delegation, took a seat at the Trusteeship Council table.

Mr. KIANG (China): Before I proceed to put questions, may I first of all suggest, if it is agreeable to the United States delegation, that it circulate to the members of the Council a list of the candidates selected, the twelve members of the House of Delegates and twenty-one members of the Assembly, indicating those members of the Congress of Micronesia who are at present officials, who hold official positions.

Mr. DICKINSON (United States of America): We should be very happy to do that. I think it would be necessary for us to do that tomorrow if that would be agreeable to the representative of China. At this hour I think it would be a little difficult to prepare now. We shall bring it in with us tomorrow and be very happy to furnish it.

Mr. KIANG (China): It is splendid that we shall have it tomorrow. The only thing we should like is to have it for our information.

I hope the Special Representative will agree if I proceed to put one or two questions to my good friend Mr. Olter first instead of directing them to the Special Representative. If that is so, may I put the first question to Mr. Olter. We were given to understand by the Special Representative that Mr. Olter conducted his election campaign from Honolulu. Now I would like very much to know how he conducted that campaign in Honolulu and, secondly, what were the issues that he really advocated during the election campaign. Were these issues clearly concerned with domestic or international issues? Now I would be very grateful if he would enlighten me on those two points.

Mr. OLTER (United States Delegation): Yes, I did conduct my campaign from the University of Hawaii. How vigorous it was I did not know because I was elected in absentia. The issues are not international, they are mostly domestic. I think I was elected primarily because of the fact that I served in the District Legislature in the past and it was probably quite easy to win the election on that basis. The campaign was not hard, but mostly letters from my friends in Honolulu and myself, and my friends at home carried the campaign.

Mr. KIANG (China): If I understand correctly, Mr. Olter conducted his campaign by correspondence.

From his statement -- the very interesting one we heard this morning -- when Mr. Olter returned to the Territory he spent three weeks touring his districts in Ponape, and he mentioned that he discussed with the people several alternatives. First of all I must say that I was very much struck by his initial statement because, frankly, Mr. Olter is thinking very much ahead of the Council in mentioning this point.

Now I should like to know what were the alternatives that he discussed with the people.

Mr. OLTER (Adviser, United States Delegation): I think the issues are quite bold ones for the people. They have been asked and we have been asked over the years what our future is going to be like. For example, if this Council is dissolved just where will we stand? Some of the alternatives are: one, whether to become independent; two, whether to become a territory of the United States or another country; three, whether to become part of the United States or another country. These are some of the alternatives. Of course, I gave the answer earlier this morning.

Mr. KIANG (China): Those alternatives which Mr. Olter discussed with the people in Ponape do not include the possibility of so-called free association which the Visiting Mission of 1964 discussed with the people in the Territory.

Mr. OLTER (Adviser, United States Delegation): I think this is rather a technical question, so it was not asked of the people, but a few are aware of it.

Mr. KIANG (China): Now may I put a question to Mr. Olter, and I would like him to answer me not in his capacity as Adviser to the delegation nor as Assistant District Administrator for Ponape, but merely as Mr. Bailey Olter of Micronesia. I hope Mr. Olter will forgive me if I mention in the Council today that I myself had a very long discussion with him when we met in Honolulu. That was the second time we met, and we had about eight hours' discussion. I would like to know from him today what is his own personal view, after going back to Ponape, of the political future of Micronesia.

Mr. OLTER: I think what was said earlier in this Council and also said by many of the students at the University, or in the territory, is what I also would say, that if we ever become capable thereof, I would rather see the Trust Territory as an independent country.

Mr. KIANG (China): I thank Mr. Olter for his answer. I have one more question, one which arises from his own statement today. The reason why I ask this question is that we are all very much interested in how the Congress of Micronesia is going to function. I invite Mr. Olter's attention to his own statement where he made reference to economic development. He said: "But with the advent of the present Congress of Micronesia such plans" -- the plans referred to are those mentioned by the Special Representative in his opening statement -- "should be made an essential part of its concern" (1246th meeting, p. 36) -- that is, the concern of the Congress of Micronesia. I would like very much to know from Mr. Olter in what way the Congress of Micronesia is to be concerned with the economic plans, and whether with the whole economic pattern, the whole economic development. Now that he is a member of the Congress, I would like to know whether he would like to see the Congress concern itself with such an important problem for Micronesia.

Mr. OLTER: I think that up to now the Micronesians' views have been hard to determine since each individual District is operating within the District itself and through the Legislature of that District, and there is little communication between the Districts. But with the advent of this Congress,

the economic aspect being one of the most important aspects of the development of the Territory, whatever potentials there are in the Territory economically speaking must become part of the concern of the Congress of Micronesia.

Mr. KIANG (China): I may not have made myself properly understood in asking these questions. What I really have in mind is whether Mr. Olter himself would like to see the Congress of Micronesia take steps really to go into the problem of economic development by discussing with the Administration the various aspects of the plans. I think this is a very important development, because I think the Administration has invited a private firm to go into the Territory, to make plans and execute them. I would therefore like to know whether the Congress would wish to go into great detail with the Administration on the whole sphere of these plans for economic development. I understand the Congress of Micronesia is going to have certain powers, and if that is the case, it should be in a position to go into such a vital question which concerns the welfare of the people of Micronesia.

Mr. OLTER: I would like to thank my friend the representative of China and say that he has already answered his question in that whatever economic plan is adopted, I would like to see the Congress of Micronesia participate. Just as in the formation of the Congress, the Congress of Micronesia should also make known their desires and have this economic development group provide the technical aspects which we do not have at present.

Mr. KIANG: I have no more questions to put to my good friend Mr. Bailey Olter, and I wish him good luck. I always admire him. He is one of the few Micronesians I always consider as a born politician.

(Mr. Kiang, China)

May I now proceed to ask for clarification of certain points arising from the statements of the Special Representative?

I think that it is quite natural that anyone who happened to be on the last Visiting Mission would be especially concerned with the newly established Congress of Micronesia, so I hope that the Special Representative will bear with me if I ask him questions not in that field only.

I, for one, am not very happy to find that the Administration has finally decided that the members of Congress could, at the same time, occupy official positions in the Administration. However, it has all been decided. What I would like to know is whether, in view of this membership situation, if the Congress of Micronesia should one day begin investigations with regard to certain problems necessitating interrogation of the members of the Congress, would the Congress have that power? I hope that it would. We take it for granted that such power is granted to the Congress of Micronesia to interrogate officials of the Administration, but those officials might happen to be at the same time members of the Congress of Micronesia. It would then be a very delicate problem and one which I do not know how the Administration would face. In spite of that, would the Administration wish to see the Congress of Micronesia possessing the power to interrogate, during a session of the Congress, an official of the Administration with respect to certain questions of immediate concern to the Congress of Micronesia? Would the High Commissioner allow the official to go to the Congress of Micronesia to be interrogated?

Mr. GODING (Special Representative): I would assume, and I do assume, that the power of enquiry is a most essential element of the power to legislate, and I certainly would consider that the officials of the Administration should be subject to any and all reasonable interrogation by the committees of the Congress. I would have no objection to the officials of the Administration answering and informing the legitimate committees of the Congress of any phase of their activities or programmes.

Mr. KIANG (China): In his opening statement the Special Representative said that the Executive Order provided for participation in the review of any budget of the Trust Territory. Could the Special Representative elaborate on what kind of machinery the Congress has for the review of any budget of the Trust Territory? What would be the procedure?

Mr. GODING (Special Representative): Our plan is to carry out as literally and as practically as possible the provisions of the Order. As I envisage it, we shall lay before the Congress the preliminary budget programme for the next succeeding fiscal year. We do have a time factor. The Congress will meet in July; the operating budget for the Administration for the fiscal year beginning 1 July will have been enacted by the Congress of the United States; that is, the portion of the total administration budget that derives from grants by the Congress of the United States. So we shall be working at least one year ahead; we shall be presenting the preliminary budget proposals for the fiscal year 1967 -- that is, for the year beginning the following July. These budget proposals are now in the stage of formulation that we call preliminary. We do have to fit this review by the Congress into the time table of the development of the United States Government budget programme. The final budget is not formulated by the agencies of the Government until September-October for review by the Bureau of the Budget for incorporation of the President's programme for the next year; so that there is nothing final about a budget as it is in the process of preparation for submission to the Congress of the United States.

The purpose here, however, is to permit the Congress of Micronesia to have as complete a picture of the budget programme as we are able to lay before it; that is, the number of dollars that are projected for the educational programme by elementary and secondary, the specifics of any increases or decreases, and so on, through each of the items in the total budget programme. At this time the Congress of Micronesia will have as complete a picture as possible and will have the clear opportunity to make a report which will be transmitted to the Department of the Interior, as to their views of the relative degrees

of emphasis which we are putting on different parts of the programmes. In other words, if they felt that we were spending too much in one area and would prefer to have more emphasis in another area, these views could be made known at this stage of budget development. And I am quite certain that such considered views would have a definite impact, a definite bearing, on the further decisions as that budget was finally crystalized and developed.

Mr. KIANG (China): I do not know whether I understood correctly what the Special Representative has said. Let me reason it out myself and see whether I am right.

According to what I heard from the Special Representative, the Administration will help to prepare its own budget and then present that budget to the Congress of Micronesia. Then the Congress of Micronesia will express its views. Afterward, the Administration will present two views, so to speak, to the United States Congress; one will be the budget prepared by the Administration, and the other the view expressed by the Congress of Micronesia. Am I correct in my understanding?

Mr. GODING (Special Representative): That is essentially correct. Of course, we have to follow the basic budget programme development of the United States Government. The awkwardness -- to the extent that there is any awkwardness -- consists in how to bring this body which is most directly concerned into the review process, into the budgeting process, so that its views can be made known as to the emphasis that will be placed on different programmes.

(Mr. Goding,
Special Representative)

I might add, however, that in effect there may be a second budget, as I anticipated; that is, there will be a budget which derives from the revenue measures enacted by the Congress itself which will not go into this administration budget, if you wish to use that label. In that respect, they will have a separate and autonomous budget programme.

Mr. KIANG (China): It seems I was correct in interpreting what was said by the Special Representative. As I understand it, the Congress of Micronesia, in this question of the review of the annual budget, is merely informed and not consulted. Certainly, the Congress of Micronesia has played no part in the preparation of the budget. If that is the case, the power of the Congress is very, very limited because the only power it has is to levy taxes and take part in the review of the budget. If the review of the budget is done in that sense, then the Congress of Micronesia actually plays no part in it. The Congress of Micronesia is merely informed by the Administering Authority, the Congress of Micronesia just expresses an opinion and the Administering Authority passes on the view of the Congress of Micronesia to the United States Government; that is all. If that is the case, I must say that the budget powers of the Congress of Micronesia are very, very small. It actually does not play any active part in it.

That was not the understanding when the Visiting Mission was in the Territory in 1964 because we were informed they would go a little further than that and we thought that the Congress of Micronesia would have established a Committee of its own to be consulted by the Administration in the preparation of the budget. Today, when the budget is to be prepared entirely by the Administering Authority, as it has always done, the Congress of Micronesia is merely informed of what is the decision of the Administration.

Mr. GODING (Special Representative): Perhaps I am responsible for some confusion here because I think that it goes considerably beyond the point of just informing; I think that this is a process that involves both informing and consulting. Perhaps I failed to make it clear concerning the total span of time that is embraced in developing any agency budget in the United States -- frankly this gets to be a very involved process -- and I do not wonder that members of other Governments are sometimes puzzled. Right now I am concerned about three budgets. I am concerned about the one for the year that ends the end of this month; I am concerned about the one that begins 1 July. Preliminary developments and steps have had to be taken in the process in rounding out the broad outline of the 1967 fiscal year budget. It is this budget for the 1967 fiscal year in which the recommendations, the wishes, the consultations with the Congress will, I believe, be quite effective. The first steps have been taken in April for a budget that begins a year from this next July. In this process it is only painted in broad strokes.

After the July session of the Congress, after this period of information and consultation, the recommendations will be developed during the course of August and September and there will certainly be a budget committee, a finance committee of the Congress which will study it and make specific recommendations. I would hope and expect that the recommendations and ideas of the Congress will have a great deal of weight, a great deal of significance in the development of what we would call the final agency budget submitted in the fall, in September.

Our budget process is a year round process, the various steps of development. Our problem admittedly is how to bring and how to put the Congress of Micronesia into a meaningful position in relation to the development of this budget programme. But I am certain that it constitutes a great deal more than just information. It constitutes consultation in the very real and meaningful sense of the term.

Mr. KIANG (China): I must confess I still do not follow it very well. I wish to ask the Special Representative if the Congress of Micronesia proposed the shifting of certain allocations between the two items under the budget and if the request is a reasonable one, would it be favourably considered by the Administration before it is sent to the United States Government?

Mr. GODING (Special Representative): With the qualifications indicated by the representative of China, I would say yes. Even if I considered them to be unreasonable requests, even though we did not incorporate them, the wishes of the Congress would still be transmitted to the Department of the Interior. However, taking the qualification of a reasonable request, I would say yes, that the changes in our submission would be made.

Mr. KIANG (China): May I pursue the question by asking would the Administration, for instance, as the Special Representative said, agree, if the requests were reasonable, to make favourable comments on these recommendations and strongly urge the United States Government to accept those recommendations made by the Congress of Micronesia?

Mr. GODING (Special Representative): Here again there may be a slight difference in meaning. If we accepted them we would put them in and, of course, in submitting them from our Administration that would constitute endorsement. But whatever we are permitted to submit and whatever our budget programme is, when the final submission is made, this is our firm recommendation. To the extent that it might vary from recommendations that the Congress, to the extent that we did not incorporate changes or shifts, then their recommendations would go along with the Administration's recommendations.

Mr. KIANG (China): If that is the case, then no matter how favourably the Administration regarded those recommendations, since the Administration is not in a position to endorse them -- the recommendations submitted to the United States Government -- am I right in saying that the Administering Authority is in no position whatsoever to endorse any recommendation even though it considers it to be a good and reasonable recommendation and all that the Administering Authority would do is merely to transmit their views or incorporate certain recommendations in the draft to be presented to the United States?

Mr. GODING (Special Representative): Again, I think there is a little confusion. If we endorse a recommendation, we will incorporate it, and it will become a part of our budget programme. It is only in the instances where we might not fully go along with a recommendation that we will be responsible basically for the budget, and the recommendations that are counter to those of the Administration would be transmitted for further attention. But certainly, if the recommendations are such that we go along with them -- if they are reasonable, to use the expression of the representative of China -- they go into the programme and become a part of the budget programme on our initial submission.

Mr. KIANG (China): I thank the Special Representative for that clarification. If that is the case, it is very different from what we heard at the beginning. It is not simply a matter of transmitting the views of the Congress of Micronesia. The High Commissioner did say that if the Administering Authority considered those recommendations, involving even a shift of allocations, reasonable, and endorsed them, they were incorporated into the budget, to be transmitted to the United States Government. If that is the case, it is certainly very different from what he himself said in his reply to my initial question. That is the point I would like to have clarified.

Mr. GODING (Special Representative): To the extent that I gave any other impression, I regret it. I tried to explain that in this developmental process there was time, after the Congress met, to incorporate, as far as the Administration is concerned, specific recommendations of the Congress of Micronesia into the Administration budget programme. I did refer, I think, only to what we technically call the preliminary budget developments, and these are painted in very broad strokes. I think we have presented a \$17.5 million preliminary budget programme in a one-page telegram of perhaps 300 words, and I would submit that that represents 'rather broad budgeting.

Mr. KIANG (China): A passage in the opening statement by Mr. Goding gives rise to one question which I would like to put to him. It reads as follows:

"Special provision was made for the submission to the Secretary of amendments recommended by two-thirds of each House of Congress."

May I interpret that to mean that amendments recommended by two-thirds of either House will be submitted to the Secretary, or rather that such amendment has to be recommended by two-thirds of both Houses, the House of Delegates and the House of Assembly?

Mr. GODING (Special Representative): It would be submitted on the basis of recommendations by two-thirds of each of the two Houses. It would not be done on the basis of action by one House alone.

Mr. KIANG (China): There is a regular session each year, if I understand correctly. Could the Congress of Micronesia have a special session if it so desired?

Mr. GODING (Special Representative): Yes, there is provision for calling special sessions of the Congress of Micronesia.

Mr. KIANG (China): I do not know whether it is a useful exercise for me to ask the following questions in the field of economic development. The Special Representative gave us to understand that the economic development, the planning and the administration of the plan, would be undertaken by a private firm. That, I suppose, is a decision already made by the Administration. Why has the Administration never thought of inviting, say, the World Bank to make an economic survey of the Territory, as has been urged by the Council many times, and as there has been a survey and report on New Guinea by the World Bank? Is there any special advantage in having a private firm go to the Territory to plan for the economic development, and also to be charged with the task of formulating the development programme and the actual final implementation of the programme? May I know what advantages the Administration really sees in such a method?

Mr. GODING (Special Representative): We see a number of advantages. I should like to say at the outset that we have thought of the World Bank. We have not been given very much encouragement as to the availability of a broad enough group. However, our idea here is not just to make a survey -- something that could be done in a few weeks or a few months -- but to have a small but permanent staff of high technical and professional competence in the area, who, while not officially members of the Administration, would be continually available to assist in the implementation. This does not mean that we would contract out to them the responsibility of signing contracts or the final official execution of any activity.

One of the advantages is that the firm has wide experience in this area in many parts of the world. Secondly, it has a very strong resource base in terms of staff at its headquarters that can be drawn in on a spot basis. It will assist a great deal in getting the right experts at the right time, as they are called for.

Basically, this is an approach that our Government has used in many other areas. This same firm has contracts with the United States Government in at least four or five other areas in the world, assisting our AID programme, our State Department, in economic and technical assistance elsewhere. It is one of the three or four best known and most highly respected firms. We have thought of every possible source of assistance in this respect, and the conclusion was reached that this would be the most effective way of doing the job.

Mr. KIANG (China): Would it make any difference if the administration, before making that decision, would wait and consult the Congress of Micronesia on this question of inviting a private firm? There is a background to the reason for my asking this question. When we were in the Territory in 1964, many political leaders, particularly in Ponape and Palau, expressed some misapprehension, even about the Van Camp Sea Food Corporation. They were very much worried that there might be a United States private firm monopoly in Micronesia. I do not know whether this fear has been dissipated. I think if the administration would wait and consult the Congress of Micronesia before taking a decision it would have a very good effect on the people of Micronesia. I do not know how the people would react. I do not know whether what we heard in the Territory represented the total picture. That is why I ask the question. Do I understand that the administration can rest assured that there will be no fear on the part of the people of Micronesia?

Mr. GODING (Special Representative): I have not heard any objection or fear. In fact, the response has been uniformly favourable. I am sure that Mr. Olter spoke for himself in his remarks about the economic development contract. This firm will have no financial or other interests in any economic activities in the area. This is a technical and professional contract. They will not in any way be involved in any investments or have any financial relationship with any activities in the area. I am sure that the people do not feel, and will have no basis for feeling, that this would represent the establishment of any type of monopoly or financial interest in the area.

Mr. KIANG (China): If my understanding is correct, this firm which is to go to the Territory to undertake the planning would eventually have the task of implementing those development programmes. Would the same firm undertake the implementation of the development programmes or would it recommend others?

Mr. GODING (Special Representative): I should like to cite by way
 example how I would anticipate the way in which this would work. Through a
 study and analysis of ramil and all the factors involved, we have not
 been able, using only our existing staff and agriculture personnel, to examine
 the matter as fully as possible. As a firm engaged in this question, they might
 go to their home base and obtain an expert who was knowledgeable in that
 field. They would most probably not have such an expert, but they would know
 where the Food and Agriculture Organization had an expert. They could
 find a person better than we where the right person could be found to assist in
 the technical analysis of that operation. Having carried that out with the
 person, they might then assist us in the implementation by finding
 the land and capital and perhaps by creating a producers' co-operative or some
 other association. Their role in the implementation might be in helping to find
 the best commercial markets in which to put the product, as well as the financing
 for the venture itself.

Mr. KIANG (China): The Special Representative must have heard the
 I put to Mr. Olter related to the concern of the Congress of
 whether the economic development in the Territory. Would the Special
 Representative tell us in what way he would like to see the Congress of
 be concerned in this particular field?

Mr. GODING (Special Representative): The role and the powers of the
 Congress will be such that, I am sure the Congress will get into many facets,
 with respect to being informed and going into the various development
 and secondly with respect to matters of taxation and how taxes would
 affect any economic enterprise. There is the factor of the use of the taxing
 power to help finance certain types of ventures. One of the most significant
 is that of import taxation. What can be done with the tax base, with
 the resource capability, the tax capability of the area to help build and enhance
 the economy of the area? This is one specific area, and I think there are many
 others that we could enumerate.

Mr. KIANG (China): I should like to go to another field in which I have only one very minor question to put. According to the Special Representative, the Territory now has eighty-eight additional qualified American classroom teachers. Could the Special Representative tell us how many of these teachers were experienced?

Mr. GODING (Special Representative): All of them, perhaps with the exception of one or two, were experienced teachers. We have a certain number who were graduates of the Peace Corps. But the teachers had teaching experience before they were hired.

Mr. KIANG (China): Could the Special Representative tell us the recent thinking of the administration on the question of establishing a college in the Territory?

Mr. GODING (Special Representative): We discussed this matter, of course, with the members of the last Visiting Mission, since they were very much interested in it.

We still feel that at this stage it would be premature to establish a fully qualified and fully recognized college-level institution. We do have the specialized teacher-education centre, which may provide the genesis of a teacher-training institution which, in turn, might through evolution point towards a college-level institution. However, at this stage the overhead, the total investment, involved in the establishment of a university-level institution would, in our opinion, be out of proportion to the benefits that would be gained.

Mr. KIANG (China): On the subject of higher education in the Territory, I do not know whether it is right and proper for me to remind the High Commissioner of what is happening in another Trust Territory. I think that the High Commissioner is aware of the steps being taken by the Australian Administering Authority towards the establishment of an institute of higher education in New Guinea. I believe that if the High Commissioner compares the educational developments in the two Territories he will agree that there are even stronger reasons why a college, or at least a junior college, should be established in Micronesia.

I have no further questions. I wish to thank the Special Representative for his informative answers.

Mr. CORNER (New Zealand): First, I should like to join in the welcome that has been extended to the High Commissioner and to the members of his team, including Mr. Bailey Olter. We are very happy indeed to have the High Commissioner with us again, and also to see the further group of distinguished Micronesians who are observing the proceedings of the Trusteeship Council.

Because of the very detailed statement made by the High Commissioner, for which we are grateful, and because of the questions asked by other representatives, I fortunately do not have a large number of questions to put myself. Most of my questions will naturally centre around the Congress of Micronesia, which I believe to be the really great event in the history of the Territory and the means towards future progress.

(Mr. Corner, New Zealand)

I shall take up some of the matters dealt with in the document circulated to us this morning, omitting, of course, points that have already been discussed.

I turn first to section IV, regarding the powers of the High Commissioner. In connexion with the question of urgency, the High Commissioner can promulgate urgent legislation as law if the Congress fails to pass such urgent legislation. Would the High Commissioner indicate whether consideration has been given to the possibility of putting some curbs on the power to invoke urgency? This matter is dealt with in the report of the Visiting Mission, at paragraph 210.

Mr. GODING (Special Representative): I feel that the requirement that any proposal that is labeled "urgent" must be submitted more than seven days before the end of the session and must, if promulgated, have the approval of the Secretary of the Interior does effectively prevent any tendency which there might be to label purely routine or ordinary legislative proposals as "urgent". I believe that the authority given the High Commissioner to submit legislative proposals in the normal course of business should cover all but exceptional situations. I consider this to be a safeguard at this stage of the legislative development of the Territory.

Mr. CORNER (New Zealand): Most of my questions on the budget have been removed by the considerable discussion that has already taken place. I was pleased to hear the High Commissioner indicate that he regarded the preparation of the preliminary budget as a co-operative process between the High Commissioner and the Congress. The great difficulty, as he pointed out, is the intricacy of the United States system itself. To those who give primacy to developing self-reliance in the Territory, that is the great challenge. Will the District Legislatures also take part in the preparation of the preliminary budget?

Mr. GODING (Special Representative): At present, we have no mechanism in mind by which we could bring the District Legislatures into this process, very directly in any event. I am somewhat at a loss to see how we could go about that, from the point of view of communication and procedure. I am not at all suggesting that it would be impossible. However, I have been quite concerned about our

(Mr. Goding, Special Representative)

ability to give the Congress of Micronesia a meaningful role in the budget process, and I admit that I have not given a great deal of attention to how the District Legislatures could be brought into the same process. Of course, as representatives of their areas, speaking for their areas, they will have a great deal of influence on the members of the Congress of Micronesia as regards the latter's attitudes and actions on all public matters, including the budget. At the present stage I cannot see how we could effectively work out a procedural arrangement for bringing six separate Legislatures into the process.

Mr. CORNER (New Zealand): As I understood it, each of the six District Administrators prepared budget proposals governing the various projects which he would like to see carried out in his district. The proposals of the District Administrator were then sent to the High Commissioner, who, with his headquarters staff, had the task of moulding these separate requests, these detailed local proposals, into an over-all balance which assigned the correct priorities for the Territory as a whole.

At the time when the Visiting Mission was in Truk, the district legislature was in session. At that time, as I understand it, the District Administrator had actually referred to his legislature the preliminary proposals for his district, thus bringing the legislature of that district, and at its appropriate district level, into the process of making the budget for that area.

My question was directed to the possibility of arranging a similar procedure for each district, while leaving, of course, the final and much more difficult process of creating a territory-wide budget to be done at Saipan in the co-operative process between the High Commissioner and the Congress.

Mr. GODING (Special Representative): I must concede that I overlooked this very real development and the possibility of that method of bringing them in. I was thinking, I must admit, of how we at headquarters would deal with the district legislatures in this process. I should have recognized the fact that to some extent they have been in the process now, and we can probably anticipate even more of such review and, at various districts, more of such co-operative efforts as the district proposals are developed.

Mr. CORNER (New Zealand): Under the Order, as I interpret it, the Congress of Micronesia will not have any absolute power to dispose of any money: either the money that is a subsidy from the United States, or the money that it raises by its own taxation in the Territory. The High Commissioner, however, indicated that there might in fact be two budgets: the big budget covering the money given by the United States, and the smaller budget for the money raised locally.

I wonder if the High Commissioner would confirm that, and also if he would indicate how much money might in fact be raised locally, what plans are in mind for expanding the amount of locally raised money, and on what projects the money of this little budget might be spent.

Mr. GODING (Special Representative): To clarify one point first, the Congress will definitely have the power to appropriate and dispose of monies raised in the little budget, to use the representative's expression. It is our intention and it is the intention of the Order that a new tax measure, a new uniform levy on imports into the Territory, would be disposed of in accordance with appropriations of the Congress of Micronesia. To that extent it would not be incorporated into the budget programme that would be presented to the Congress of the United States.

We have had a great deal of interest and a great deal of concern in some of the districts because some of this taxation represents the same source of revenue which they have handled at the district level. It is our intention to propose -- I know that many members of the Congress are thinking about it -- that perhaps the Congress of Micronesia, in levying a general tariff or general import measure, would perhaps, at the outset, share the revenue with the districts in which it originated; in other words, pass back to the district legislatures the disposal of some of this money.

Now we anticipate that the revenues handled by the Congress, based on their own desires, will be applied in many ways, many of them being perhaps joint or co-operative or grant-in-aid type programmes in conjunction with the administration budget; in other words, that they would play a role perhaps in financing certain types of roads or other public improvements of that type; that they would spell out, define and assume a certain area of responsibility in the educational programme.

The fact that we have a central budget, a grant budget, based on the appropriations from the United States, does not in my mind mean that that administration budget necessarily should cover or preempt the whole series of activity. Whether it is in health, whether it is in education, whether it is in the creation of better public utilities or public services, the

Congress of Micronesia should have a great deal of latitude in deciding what areas they would care to get into and help support.

Mr. CORNER (New Zealand): I have two questions in the same connexion. Could the High Commissioner indicate the part of the Order on which the Congress could base itself in disposing of locally raised monies? Is it just the final sentence of section V? And secondly, how much money is likely to be raised locally?

Mr. GODING (Special Representative): Yes, the last sentence in section V is the essential basis for this authority. I might add here that because of some lack of understanding of this intention, we now have a proposed amendment to this Order before the Secretary of the Interior, which would spell this out a little bit more clearly. But, essentially, it is as I have stated it here, to make sure that there is an understanding on that point.

(The Special Representative)

As to the amount that might be raised by the Congress of Micronesia I will have to say that this could range rather substantially. At the present time it is likely that the minimum area would be more than one-half million dollars a year. I can foresee the possibility, with the use of a more adequate system of taxation, of revenues amounting to perhaps \$2 million a year that would be handled in this manner by the Congress.

Mr. CORNER (New Zealand): The Congress of Micronesia meets in a month's time. Has the Administration any suggestions to put before the Congress for a new taxation system for the territory at that forthcoming session?

The SPECIAL REPRESENTATIVE: Yes, we have not completed, but we have a number of proposals in mind, some of which I have alluded to in a very general way. The proposals will probably be made in the area of import levies, quite possibly in the area of some taxation which is now not covered at all -- and there will undoubtedly be other areas. This economic development firm itself indicated a real interest in this area and a feeling that much can be done to create a more adequate base for the territory.

Mr. CORNER (New Zealand): Do the suggestions that have been worked out include the taxation of American officials in the territory, and do they include the levying of duties upon goods entering Kwajalein.

The SPECIAL REPRESENTATIVE: I would, at the risk of simplifying, say "Yes" to both questions. If there were to be a general income taxation or any other form of general taxation, it would be our intention that it be applied uniformly to people in the area, and that there would be no special exemptions.

Mr. CORNER (New Zealand): I am very interested in that reply because that taxation could develop a significant amount of revenue for the territory -- as of right.

I turn to Section 9 on general elections and section 12 on legislative sessions, contained in the Order on page 4. The fact that the elections are held at the beginning of November, and Congress does not meet until the beginning of July, means that there is a gap of eight months between the time that a man is elected and the time that he attends his first meeting of the Congress. Presumably also, until he had actually attended a Congressional session, he could not be elected to an inter-sessional committee. Therefore, I take it from this that in the case of those with a two-year term -- those in the General Assembly -- the effective period of office of a man elected is really reduced to about sixteen months. Why is there this long gap between the election and the meeting of Congress?

Mr. GODING (Special Representative): I would concede that this would be true at the beginning, but as it proceeds, after the initial terms -- the effective term and the ability to serve on Committees would round out at two years, the terms of office beginning in January and immediately after the election -- at that time they could presumably be made members of any Committees that were operating between sessions. I think the intention is to have a round two-year term in the position even though the sessions may not fall at the beginning of the term.

Mr. CORNER (New Zealand): A man's effective term could be quite short. Let us take the case of Mr. Olter. Let us assume that he has been elected for a two-year term in November. He will not appear at his first session of Congress until next July. Let us assume, unfortunately, that eighteen months from now he stands for re-election and is defeated. Then his successor will be elected in November of 1967; but again, he will not take his seat until July 1968, and his effective term likewise will be sixteen months.

Mr. GODING (Special Representative): I am not sure that I followed the question.

Mr. CORNER (New Zealand): My mathematics is not good and I do not follow it either. But to get on to what is perhaps the more important matter, namely, the fact that there is only one session a year and that this session has a maximum length of thirty days. The Council of Micronesia in its recommendations of 1963, which were followed so closely in most of the Order, and also the Visiting Mission in one of its recommendations, at paragraph 221 -- recommendations which were not quite so closely followed, and quite rightly, as the recommendations of the Council of Micronesia itself -- both thought that at least two sessions a year would be appropriate.

I wonder whether the High Commissioner could tell us of the considerations which led to a decision to have only one thirty-day session a year?

Mr. GODING (Special Representative): In response to the representative from New Zealand, we thought -- and perhaps erroneously -- that the one regular session a year would suffice. This is based primarily on our experience with the Council of Micronesia which met for even briefer periods, based in part on the thinking in the Department, where many of our other legislative bodies meet once a year and in some cases only every two years, that annual sessions, with provision for special sessions, would take care of the requirements.

Mr. CORNER (New Zealand): I notice that there is to be one statutory session each year with a maximum length of thirty days, and that special sessions can be called by the High Commissioner when, in his opinion, it is in the public interest that one be held. So these are two circumstances in which the Congress can meet. In the case of the District Legislatures, there are three circumstances in which a District Legislature meets: its regular meeting, special sessions called by the District Administrator, and a session whenever one-third of the members of the District Legislature so desire.

Could the High Commissioner indicate why there is no provision for the members of the Congress of Micronesia themselves to be able to call a session together?

Mr. GODING (Special Representative): To my knowledge, there was no specific consideration of this point. I think that here we simply followed a practice rather usual in the American system.

Mr. CORNER (New Zealand): I hope, Mr. President, you will stop me at your convenience. I was proposing next to go on to section 14, relating to the veto power of the High Commissioner. The Council of Micronesia, in its recommendations, at page 4 of annex III of document T/1620, asked for an arrangement by which two-thirds of the Congress could over-ride the High Commissioner's veto, but not, of course, the veto of the Secretary of the Interior; and they could over-ride this veto at the same session. So that one could therefore envisage a situation where they passed a particular piece of legislation, the High Commissioner vetoed it and returned it with his reasons for the veto, and the Congress, feeling strongly about the particular matter, passed it again over his veto and sent it, with this strong evidence of support, to the Secretary of the Interior. The order as now issued contains an arrangement, different from that suggested by the Council of Micronesia, wherein a gap of at least fourteen months intervenes from the time at which a piece of legislation by the Congress is vetoed and the time at which it can be resubmitted. This of course alters the whole temper of the relationship between High Commissioner and Congress and slows things down a great deal. I wonder what particular considerations led to this lengthening of the interval between a veto and resubmission.

Mr. GODING (Special Representative): Quite frankly, I am not sure in my own mind just how this particular provision arose. I am not quite sure, but I believe that this was an insertion or a change suggested in the Department of the Interior. I am not aware of the genesis of that particular matter. The feeling, I think, has been that the number of instances of this sort has been so low in practice, as the Department has experienced it in other areas, that the desire was that these matters not be passed on to the Department except in rather exceptional circumstances.

The PRESIDENT (interpretation from French): May I ask the representative of New Zealand whether he still has very many questions. If he has, would he agree to postpone them until our next meeting? However, if he has only a few questions to ask, we might hear them now.

Mr. CORNER (New Zealand): I think, Mr. President, it would be better to postpone them until our next meeting. As I reflect upon my questions and upon the answers that have already been given, my other questions might well disappear.

ORGANIZATION OF WORK

The PRESIDENT (Interpretation from French): Before adjourning the meeting, I would like to say a few words about our programme of work for the coming meetings.

In effect, I have been told that because of the pressure of work in the documents section, the report of the Visiting Mission that went to the Trust Territory of New Guinea will not be circulated to Council members before the morning of Monday, 7 June. Under these circumstances we shall have to change our schedule for tomorrow afternoon. It seems to me that tomorrow afternoon we might first continue the questions and answers with the representative of New Zealand and others questioning the Special Representative of the Administering Authority for the Trust Territory of the Pacific Islands. We might then examine items 9 and 10 of our agenda, that is to say, Offers by Member States of study and training facilities for inhabitants of Trust Territories, and Dissemination of information on the United Nations and the International Trusteeship System in Trust Territories.

(The President)

At our meeting on Friday afternoon we could begin our general discussion of the conditions prevailing in the Pacific Islands. I would be very **grateful** to Council members if they will come prepared to participate in the general debate and if they will inscribe their names on the list of speakers. If we have sufficient time Friday afternoon, we could perhaps examine the report of the Secretary-General on credentials.

This is the programme I propose for our coming meetings.

Mr. EASTMAN (Liberia): I regret to have to delay the Council, but I should like an understanding on the proposal you have made, Mr. President. Am I to understand that after the representative of New Zealand has completed his questions, the list will be closed and other delegations will not have an opportunity to question?

The PRESIDENT (Interpretation from French): No, not at all. The list of speakers will not be closed, and those delegations wishing to put questions will be free to do so. As I hear no objections, I take it that the programme of work as I have presented it is adopted.

Before adjourning the meeting, I should like to say a few brief words in reply to the remark made just now by the representative of the United States concerning the verbatim record of this meeting. The English version will be ready tomorrow morning as usual, and the Secretariat will do everything possible to see that the French verbatim record is also ready at that time.

Our next meeting will take place tomorrow afternoon.

The meeting rose at 6.10 p.m.