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REPORT OF THE TRUSTEESHIP COUNCIL TO THE SECURITY COUNCIL ON THE TRUST TERRITORY OF THE PACIFIC ISLANDS COVERING THE PERIOD FROM 17 JULY 1954 TO 22 JULY 1955

Note by the Secretary-General: The Secretary-General has the honour to transmit to the Security Council the Report of the Trusteeship Council on the Trust Territory of the Pacific Islands covering the period from 17 July 1954 to 22 July 1955.

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INTRODUCTION

In accordance with Article 83 of the Charter, with the resolution adopted by the Security Council at its 415th meeting on 7 March 1949 and with resolution 46 (IV), adopted by the Trusteeship Council at the forty-sixth meeting of its fourth session on 24 March 1949, the Trusteeship Council has carried out on behalf of the Security Council, those functions of the United Nations under the International Trusteeship System relating to the political, economic, social and educational advancement of the inhabitants of the Trust Territory of the Pacific Islands, designated as a strategic area.
PART I. ACTIVITIES OF THE TRUSTEESHIP COUNCIL WITH RESPECT TO THE TRUST TERRITORY

Examination of the annual report

The report of the Government of the United States of America on the administration of the Trust Territory of the Pacific Islands for the period 1 July 1953 to 30 June 1954 was transmitted to the members of the Trusteeship Council on 3 May 19551 and was placed on the agenda of the sixteenth session.

Mr. Delmas H. Nucker, Acting High Commissioner of the Trust Territory, who had been appointed as the special representative of the Administering Authority, made an opening statement at the 615th meeting and answered oral questions of members of the Council from the 616th to the 618th meeting.

During the 619th and 620th meetings, the Council held a general discussion with a view to formulating conclusions and recommendations relating to the report and to conditions in the Territory, and appointed a drafting committee composed of the representatives of Belgium, El Salvador, Haiti and New Zealand to draft that part of the report of the Trusteeship Council to the Security Council dealing with conditions in the Trust Territory of the Pacific Islands.

The draft prepared by the Drafting Committee was considered and adopted by the Council at its 642nd meeting, and forms Part II of the present report.

Petitions

No petitions from the Trust Territory were received since the last report to the Security Council.2

Visiting Mission

No Visiting Mission was dispatched to the Trust Territory since the last report to the Security Council.2

1/ T/1173.
2/ T/L.596 and L.599.
3/ S/3272.
PART II. CONDITIONS IN THE TRUST TERRITORY

I. GENERAL

Outline of conditions in the Territory and recommendations adopted by the Council

General considerations

Lying in the Pacific Ocean, between latitudes 1° and 20° north of the equator and between longitudes 130° and 172° east, the Trust Territory consists of a large number of scattered islands and atolls with a combined land area of about 687 square miles. The population, which in mid-1954 totalled 61,102 persons, is broadly classified as Micronesians although the inhabitants differ more or less widely in physical characteristics and customs and speak nine separate and distinct languages of which various dialectic variations exist.

The Administering Authority reported progress in all fields during the period under review. It stated that its policy in regard to the advancement of the inhabitants was one of gradual evolution and that it was seeking to stimulate the adaptation of the inhabitants to modern, political, economic and social conditions in accordance with their freely expressed wishes.

At its sixteenth session, the Trusteeship Council adopted the following conclusion:

The Council expresses satisfaction with the progress achieved in all fields during the period under review and notes that the Administering Authority is promoting the advancement of the indigenous people in full accordance with their wishes.

Movement of population

The Administering Authority stated that a major feature of its post-war policy had been to return the islanders to places which they considered as their homes or in which they wished to live. It explained that it had not always been possible to meet the wishes of the people, as, for example, in the case of the Bikini and Eniwetok people, displaced because of atomic bomb experiments. With regard to the
people of Rongelap and Uterik, who had to be moved because of similar experiments in 1954 and whose grievances had been the subject of a petition examined by the Council at its fourteenth session, the Administering Authority stated that the Uterik people had been returned to their homes in May 1954 and the Rongelap people would be returned as soon as conditions permitted; in both cases all claims for compensation had been paid in full in April 1955 and continued assistance was being rendered to them.

The problems of the Bikini people, who were resettled on Kili in 1948, have received the attention of the Trusteeship Council on several occasions owing to difficulties encountered by them in readjusting to their new home. The 1953 Visiting Mission learned that these problems were gradually disappearing but that some difficulties still persisted and the Administration was studying the question of providing further assistance. The Trusteeship Council was informed at its sixteenth session that Kili was one of several islands to which Administration personnel had been posted primarily to promote agricultural-economic development but also to contribute to total community development in so far as possible. The Administering Authority stated that as a result of this assistance the former Bikini people were now completing their adjustment to their new environment.

At its sixteenth session, the Council adopted the following recommendation:

The Council, noting the statement of the Administering Authority that a major feature of its post-war policy has been to return the indigenous inhabitants to the islands and atolls which they consider as their homes or in which they wish to live, welcomes the information that the people of Uterik atoll, who were displaced by atomic experiments, have been returned to their homes and that the people of Rongelap will be returned as soon as possible. The Council also notes with satisfaction the measures taken to ensure the welfare of the displaced islanders, including the payment in full of all claims for compensation on account of property losses, and expresses the hope that every effort will be made to rehabilitate them in their former way of life.
Observations of members of the Council representing their individual opinions only

Movement of population

The representative of Haiti noted with satisfaction that the problems created by the evacuation and resettlement of the Bikini people had been almost finally resolved.

The representative of India expressed the hope that there would be no further need to evacuate people for atomic tests owing to the difficulties encountered in their rehabilitation. He welcomed the fact that there had been no experimental explosions of atomic weapons since 1954.
II. POLITICAL ADVANCEMENT

Outline of conditions in the Territory and recommendations adopted by the Council

Administration of the Territory

The period under review saw no change in the situation described in the previous report of the Trusteeship Council, whereby the responsibility for the administration of the Trust Territory is shared by the Departments of the Interior and of the Navy. Except for the island of Rota, the Saipan District is under the immediate authority of the Commander, Naval Forces, Marianas, the rest of the Territory being under the authority of a High Commissioner who is subject to the direction of the Secretary of the Interior. During 1954, the headquarters of the High Commissioner were transferred on an interim basis from Honolulu to Guam, which is also the headquarters of the Naval Commander of the Marianas. The purpose of this move was to bring the headquarters closer to the Territory pending the availability of funds to construct headquarters buildings within the Territory itself. Prior to the transfer the Departments of Public Health and Education were relocated at Ponape and Truk, respectively.

The Territory is at present divided into seven administrative districts, a new district having been created for the island of Rota during the period under review owing to the transfer of the rest of the Saipan district to naval administration. In each district there is a district administrator assisted by a staff of Americans and Micronesians. In the case of Saipan, the administrator is a civilian appointed by the Naval Commander of the Marianas.

The administrative staff of the Trust Territory includes American federal employees, naval officers and Micronesians. All positions are accessible to indigenous persons who possess the necessary qualifications, it being the stated policy of the Administering Authority to replace American employees by Micronesians in all positions, for which they meet the requirements and to appoint indigenous persons to more responsible posts wherever possible. In order to accomplish this, every department of the Administration maintains a comprehensive

training programme and all indigenous employees are provided with on-the-job training accompanied by classroom instruction, particularly in the English language.

At its fourteenth session, the Council noted with approval the Administering Authority's policy of gradual replacement of non-indigenous staff by indigenous inhabitants and expressed the hope that steps would be taken to place a larger number of Micronesians in all posts in the Administration for which they were qualified. During the period under review, it was reported that substantial progress had been made in this regard and that the continued training programmes had provided increasingly competent Micronesian personnel to fill additional positions of responsibility and permitted a reduction in the number of American personnel. Compared with 1953, the number of Micronesian employees increased from 1,543 to 1,750 while the non-indigenous staff decreased from 283 to 247. It was also reported that a Micronesian had been appointed to the position of educational administrator for the Marshall Islands district.

At its sixteenth session, the Council adopted the following conclusions and recommendations:

The Council, recalling its continuing concern that the policy and practices applied in respect of all parts of the Territory should be so co-ordinated as to meet the need of the inhabitants for the continuous and stable administration necessary to their development and to maintain the unity of the Territory, notes with satisfaction the statement of the special representative of the Administering Authority that there exists a close liaison at all levels between the civil and naval administrations, and hopes that every care will be taken to ensure uniformity of administrative practices in the Saipan district and the rest of the Territory.

The Council welcomes the transfer of the Education and Health Departments to Truk and Ponape as a step towards the final location of the central administration within the Trust Territory, which, it hopes, will be possible in the near future. The Council also notes the creation of a separate administrative district for the island of Rota.
The Council, having at its fourteenth session noted with approval the policy of the Administering Authority of gradually replacing non-indigenous personnel in the Administration by indigenous persons and of appointing the latter to more responsible posts wherever possible, notes with satisfaction that considerable progress has been made in this respect, in particular that the number of indigenous persons in administrative posts has increased by twenty per cent and that a Micronesian has been appointed to the position of educational administrator in the Marshall Islands district.

The Council hopes that every effort will be made to appoint additional Micronesian to positions of responsibility and that in considering candidates for such positions the Administering Authority will not place undue emphasis upon the possession of higher academic qualifications where such qualifications are not essential.

Development of self-government

At present self-government in the Trust Territory is limited to the municipalities which are the basic units of government and the only indigenous governmental organs possessing executive powers under the Code of the Trust Territory. Most municipal governments consist of a magistrate as chief executive of the municipality and a secretary-treasurer, or scribe, the majority of whom are now elected by popular ballot although in some cases they are hereditary chiefs or are appointed by the district administrator after consultation with the indigenous people. During the period under review, the Administering Authority reported that there was an increasing tendency to recognize personal qualifications for public office and also greater participation and interest in local government affairs.

Apart from the municipalities, there exist in all districts political advisory bodies representing varying degrees of development and with varying methods of representation. These bodies are at present essentially consultative although district administrators rarely seek to impose local regulations without first obtaining their approval. The Administering Authority reported that during the period under review these district councils and congresses had
continued to develop both in political stature and in the scope of their functions as they gained experience. Examples of this were the granting to the Palau Congress of a formal charter providing it with a certain measure of legislative power together with increased responsibilities and the introduction by the Truk and Marshallese Congresses of taxes for the purpose of financing certain district services.

In explaining the diversity in the organization and composition of these political bodies which in some cases are bicameral congresses having separate houses of chiefs and elected representatives and in other cases are unicameral councils composed entirely of elected members and which also vary as regards both their system of representation and area of jurisdiction, the Administering Authority stated that its policy was to encourage the development of democratic organization in an evolutionary manner based on the growing understanding and acceptance of the inhabitants rather than on the desires of foreign administrators. At its fourteenth session, the Council, taking note of this policy, expressed the hope that the indigenous inhabitants would co-operate with the Administering Authority in the development of local institutions on a more representative and democratic basis in a way which would simplify the political organization of the Territory without infringing on the rules and customs of the inhabitants and would assist the latter to attain self-government.

The Council has also, on several occasions, expressed an interest in progress towards the political unification of the Territory with a view to the eventual establishment of Territory-wide political institutions. At its fourteenth session, the Council took note of the efforts being made by the Administering Authority to develop a Territory-wide political consciousness and, while hoping that the Administering Authority would continue by all practical means to foster the establishment of a central legislature, gave as its opinion that the most practical approach to this objective was by way of the development of regional and district organs. This opinion is substantially in accordance with the views of the Administering Authority which also informed the Council, at its sixteenth session that continued efforts were being made to develop a territorial consciousness among the inhabitants partly by means of Territory-wide conferences
and also through the educational programme. In July 1953, a conference of representatives of all districts was held at Truk at which problems relating to self-government were discussed.

At its sixteenth session, the Council adopted the following recommendations:

The Council, noting that the district advisory councils have gained in experience and initiative, as shown by the granting of a charter conferring increased responsibilities upon the Pala’i Congress, endorses the policy of the Administering Authority to encourage political development at the local government level. While fully agreeing with the desirability of guiding the Micronesians towards self-government in an evolutionary manner, the Council expresses the hope that the Administering Authority may find it possible to introduce progressively greater uniformity into the methods of representation on the various district councils.

The Council notes with interest the conference held at Truk in 1953 which brought together representatives from all the districts of the Territory and hopes that similar conferences will be held in the future with a view to the development of a territorial consciousness among the indigenous inhabitants.

Observations of members of the Council representing their individual opinions only

Administration of the Territory

The representative of Haiti considered that the existence of two administrations - civil and military - did not facilitate the organization of a simple administrative system capable of being easily assimilated by the population and he wondered to what extent the two administrations were co-ordinated.

He also hoped that an increasing number of indigenous persons would be appointed to executive posts in the administration and felt that in this respect undue insistence should not be placed upon the possession of advanced training.

The representative of France considered that the Council should note with satisfaction the transfer of the Administration's headquarters from Honolulu to Guam.
The representative of Belgium made a similar statement and also considered that the Council should comment favourably upon the relocation of the Education and Health departments at Truk and Ponape.

The representative of the Union of Soviet Socialist Republics considered that the scattered character of the Trust Territory imposed an obligation on the Administering Authority and the members of the Trusteeship Council to concentrate their attention on the organization of a unified political administration for the islands. It was clear from the report of the Administering Authority that the division of the Territory between civil and naval administrations had created an artificial barrier to the establishment of a unified territorial administration which was also hindered by the fact that the central administration was still located outside the Territory, a matter over which members of the Council had already expressed concern at the twelfth and fourteenth sessions. He also noted that the number of indigenous inhabitants in responsible administrative posts was small. All those facts indicated that negligible progress had been made in the Territory. The Administering Authority’s assertion that the local population lacked knowledge and experience and that some time was needed to train local administrators was proof that the long period of colonial rule had delayed the Territory’s political evolution and that the grant of self-government would accelerate the development of political institutions and the training of administrators from among the local inhabitants.

The representative of China said that he would welcome any steps which the Administering Authority might take towards transferring the headquarters of the Administration to a site within the Territory.

The representative of Syria, while expressing satisfaction with the assurance given by the special representative that there was a continuous liaison between the naval and civilian authorities responsible for the administration of the Territory, nevertheless felt that there was still room for further improvement in this respect. He also expressed some anxiety at the over-all reductions in administrative personnel necessitated by reductions in funds which, he feared, might prove detrimental to the rapid advancement of the Territory, and he hoped that the Administering Authority would continue to seek funds for the purpose of transferring the High Commission’s headquarters to a site within the Territory.
The representative of the United Kingdom observed that considerable attention was being given to the training of Micronesians for administrative positions and noted with satisfaction that the number of administrative posts held by indigenous persons had increased by 20 per cent and that a Micronesian had been appointed to the position of educational administrator in the Marshall Islands district.

The special representative of the Administering Authority stated that there was close liaison at all levels between the civil and naval administrations in the Territory since the headquarters of both were located on Guam; moreover, there was a free exchange and a discussion of problems between the staffs of the Interior and Navy Departments in Washington. He believed that as a result of this the progress in the Saipan District and the rest of the Territory were closely comparable and he did not envisage any problems arising which could not be resolved by agreement.

With regard to the programme for replacing American by Micronesian personnel in administrative positions, which had progressed furthest in the educational and health departments, he said that the objective was to create self-reliance in the Micronesians which could only be achieved as they became capable of discharging the responsibilities inherent in self-government. The Council should therefore enact further and continued reductions in American personnel.

**Development of self-government**

The representative of Haiti, referring to the diversity in the systems of representation presented by the district advisory councils, considered that the Trusteeship Council should recommend that the Administering Authority unify the methods of representation on these bodies and provide for their more effective participation in the administration of the Territory.

A similar suggestion was made by the representative of Syria.

The representatives of India and the United Kingdom endorsed the Administering Authority's policy of guiding the Micronesians towards self-government in an evolutionary manner.
The representative of New Zealand was of the opinion that the Administering Authority had wisely concentrated upon the development of representative forms of government at a local level, in the municipalities and districts. He expressed confidence that the Administering Authority would not overlook the desirability of holding periodic conferences of representatives from all districts and thus give encouragement to the development of a sense of territorial unity.

The representative of India noted that despite various difficulties encountered by the Administration, modest achievements had been made in respect of the political advancement of the Territory, but that much remained to be done. Believing that the Territory might be gradually evolving towards federation, he suggested that a practical test of the advantages of federation might be made by developing closer political, economic and other ties among a group of islands situated conveniently close to each other.

As regards the elected advisory councils at the district level, the representative of India suggested that their powers and functions should be increased before any real political progress could be made, and that special attention should be given to the politically less advanced areas of the Territory. He further suggested that early consideration might be given to the possibility of setting up an inter-district machinery which he believed to be an essential requirement for future political growth. He also considered that the development of territorial consciousness should be carried out mainly by Micronesian efforts through the medium of the English language and that a great deal of emphasis should be placed upon development of communications and education for this purpose.

The representative of France considered that progress in the political field during the period under review had been satisfactory and observed that the various representative organs now played an important role in the Territory. Noting that the composition of these bodies differed in accordance with local characteristics and customs, he praised the wisdom of the Administering Authority in following a policy of evolution and was of the opinion that, under the influence of this policy, the elective principle would become generally adopted.
The representative of the Union of Soviet Socialist Republics observed that the Territory still had no central legislative, executive or advisory organs. The role of the district congresses was extremely limited and they had no significant, let alone decisive, influence on the administration of the Territory. The system of local government had not undergone any great changes over the past few years and was not genuinely democratic since the municipalities still retained officials appointed from above and in some cases these were still traditional chiefs. He considered that the Trusteeship Council should conclude that it was essential to create a central legislative organ composed of and responsible to the indigenous people; the district governmental organs should also be reorganized on the basis of universal adult suffrage and given expanded prerogatives. It was also necessary to note that the substitution of municipal government by traditional chiefs or appointed officials for a democratic system of local government was hampering the development of democracy or self-government in the Territory and should therefore be abandoned.

The representative of China, observing that an impetus had been given to the development of a territorial consciousness by the recent conference at Truk, urged the Administering Authority to follow this up still further with a view to bring about the unified organization of the Territory as rapidly as possible. He also noted with satisfaction the progressive development of the district advisory councils and hoped that their powers would be strengthened.

The representative of Belgium congratulated the Administering Authority on having sponsored the representative conference on self-government at Truk, and observed that this was an example of the Administering Authority’s desire to promote progress in the Territory by educating the people.

He also noted with satisfaction the granting of a charter to the Palau Congress which conferred increased powers and authority upon it.

The special representative of the Administering Authority said that, although much remained to be done, the establishment of a broad base of elected municipal officials and the setting up of district advisory bodies were significant steps in the light of the Territory’s past history. Further advances must come as a result of a popular desire in order to be successful; as the district bodies gained in experience they would take on increased powers and as a result of the educational programme, further territory-wide conferences
and increased advancement of Micronesians in the Administration and similar measures, the time would come when inter-district organs could be established. The fact that the great majority of magistrates were elected commoners was an indication of a growing acceptance of democratic principles. Moreover, the district advisory bodies were gaining valuable experience in democratic government. The special representative added that the Administering Authority was aware of the importance of communications and that significant steps were being taken to improve them.

Judicial organization

The representative of China expressed the hope that the preliminary codification of indigenous customary law would be completed in the near future. The representative of Belgium believed that the codification of customary law, if carried out too rapidly, might hinder the evolution of the customary system.
III. ECONOMIC ADVANCEMENT

Outline of conditions in the Territory and recommendations
adopted by the Council

General

Economic life in the Territory is described by the Administering Authority as chiefly a family endeavour, with each member contributing goods and services to the family and to the clan. Subsistence agriculture and fishing are the basic activities of the indigenous peoples, and such supplementary requirements, mainly improved food, minor luxuries and durable goods, which must be obtained from the outside world, are paid for with the income derived from the sale of copra, handicrafts and other miscellaneous products.

The economic resources of the Territory are few. Apart from agricultural produce and fisheries, the only other natural resources are the phosphate, bauxite and manganese deposits which, with the exception of phosphate, are of poor quality and so far have not been considered capable of commercial exploitation.

The Administering Authority believes, however, that the potential agricultural resources are capable of providing an adequate subsistence for the indigenous inhabitants. Its primary objective in the economic field is the attainment of maximum self-sufficiency for the Territory and present economic policies, therefore, stress the development of agriculture by improving existing subsistence and cash crops and the introduction of new crops - a policy which was endorsed by the 1953 Visiting Mission and by the Council at its twelfth session - the improvement of indigenous fishing, and the development of local trading organizations to enable the Micronesians to take over the limited trade of the Territory.

At its fourteenth session, the Trusteeship Council had expressed the hope that the Administering Authority would do all in its power to expand and diversify the economy in accordance with a plan of general economic development. The Administering Authority stated in its annual report for 1954 that emphasis was being placed first upon economic stability through greater production for subsistence needs while planning, experimentation and demonstration included expansion and diversification as far as possible for export production. The
special representative of the Administering Authority informed the Council at its sixteenth session that copra exports had risen from 10,214 short tons in the fiscal year 1953/54 to an estimated 12,120 short tons in 1954/55, while the revenue from handicrafts approximately doubled during the same period and trochus production increased from 102 short tons in 1952/53 to 449 short tons in 1953/54. At the same time, major steps had been taken to strengthen the agricultural programme and continued progress had been made in the experimental development of cacao cultivation, the encouragement of animal husbandry by the introduction of new strains of livestock and the improvement of plant stocks.

At its sixteenth session, the Trusteeship Council adopted the following conclusion:

The Council, recalling its previous recommendation adopted at its fourteenth session concerning the need for continued efforts to expand and diversify the Territory's economy, notes with satisfaction the measures taken by the Administration in this respect, in particular to increase copra, trochus and handicrafts production, to develop a cacao industry and to encourage animal husbandry by the introduction of new strains of livestock.

Agriculture

Agriculture, the major economic activity in the Territory, consists of the production of a variety of subsistence crops and copra, a cash crop which is the chief export and mainstay of the economy. Owing to the paucity of natural resources in the Territory, a large part of the Administration's efforts are directed towards the expansion and diversification of agricultural production. In addition to agricultural experimental stations at Ponape and Saipan, agriculturists are maintained in all districts who undertake experimentation, demonstration and distribution of improved plant strains with the object of expanding the production of food crops and teaching better methods of cultivation and conservation to the indigenous population. During 1953 and 1954 an expert from the South Pacific Commission undertook a survey of coconut plantations throughout the Territory and made recommendations for improved methods of cultivation and processing of copra on the basis of which a demonstration programme was initiated with encouraging results and pamphlets on the proper culture of the coconut palm were being prepared in the indigenous languages. In Palau,
Ponape and Yap experimental work was continued on cacao, which gives promise as a second cash crop for the Territory, and the Administration is also making efforts to develop animal husbandry by the introduction of improved breeds of livestock. In the case of Rota, Kili and Jaluit, Administration personnel were stationed among the indigenous communities during the period under review for the purpose of promoting agricultural and economic development and also to contribute to total community development as far as possible. Another feature of the agricultural programme is the training of indigenous assistants by the agriculturists in all districts with a view to their eventual qualification as agricultural agents.

The Trusteeship Council has on several occasions drawn attention to the importance for the Territory of agricultural development and, at its fourteenth session, it recommended that the Administering Authority continue to seek ways and means of increasing the productivity of land in view of the rapidly increasing population and the limited land available for cultivation.

At its sixteenth session, the Council was informed that during 1954/55 major steps had been taken to strengthen the agricultural programme. In particular, the funds allotted for it had been materially increased, and a separate agricultural department had been created in the Administration, agricultural centres were being established in all districts and each would be staffed by two agriculturists, one to direct the centre and the other to function as an extension agent as part of a new service designed to offer technical advice to Micronesians on cultivation practices, to aid them in procuring supplies and to help market their crops. In addition, a broad agricultural education programme for both youth and adult groups was being designed and an expert had been added to the staff of the Administration to take charge of the coconut improvement programme. It was reported that there had been a substantial increase in copra production (from 10,214 short tons in 1953/54 to 12,120 short tons in 1954/55) and that continued progress was being made in developing cacao production and in combating the rhinoceros beetle.

At its sixteenth session, the Council adopted the following recommendation:

The Council commends the special emphasis placed by the Administering Authority upon strengthening the programme of agricultural development, including the allocation of increased funds for this purpose, the creation of a separate agricultural department, the substantial increase in the number of technical
staff and the pursuit of a broad programme of agricultural experimental work. Bearing in mind the lack of financial capital among the indigenous inhabitants and the nature of the Territory's economy, the Council suggests that the Administering Authority study the possibility of fostering co-operative enterprises in farming and in the marketing of agricultural products.

Trade

At the end of 1954, the Island Trading Company, a government-controlled organization which had been the principal exporter, importer and purchaser within the Trust Territory since its inception in 1947, came to an end in conformity with a directive from the United States Congress. This company had been in liquidation since 1952 but had continued to handle all exports of copra and trochus and to import essential trade goods while devoting its main efforts to building up indigenously owned enterprises and to preparing them to take over its importing and exporting functions. In its annual report for 1954, the Administering Authority informed the Council, which had been concerned that the company should not be liquidated before local interests were ready to take over, that the progress achieved in this connexion was such that the indigenous trading concerns, of which there was one in each district, would be able to assume the copra purchasing and trading functions of the company so that there would be no reduction in economic activity and services.

At its fourteenth session, the Council, which considered that the disposal of copra on the world market presented special difficulties, welcomed a statement by the Administering Authority that arrangements had been made to continue the copra stabilization fund and expressed the hope that the indigenous concerns would receive any assistance which they might require in the marketing of copra and other activities.

In replying to this recommendation in its annual report for 1954, the Administering Authority stated that, under the control of the copra stabilization board, copra purchasing and export would be handled by indigenous companies but that marketing would be undertaken by a central agency for the Territory. These arrangements, it stated, were designed to ensure maximum benefits to the producer i.e. purchase price and continued stabilization. The Administering Authority added that loans of working capital necessary to permit full-scale
copra and trading activities had been made through the Island Trading Company. Most government-operated commissaries had also been closed and their functions transferred to local companies.

At its sixteenth session, the Council was informed that the liquidation of the Island Trading Company had been completed and that the indigenous companies had assumed their increased responsibilities with encouraging success.

At the same session, the Council adopted the following recommendation:

The Council considers that the successful transfer of the copra trading functions hitherto performed by the Island Trading Company to indigenous companies assisted by a central marketing agency constitutes a noteworthy example of encouraging self-reliance. Bearing in mind the importance of the various services formerly provided by the Island Trading Company, the Council notes the statement of the Administering Authority that the indigenous companies have been developed sufficiently to ensure that there will be no reduction in economic activity and services in 1955 as a result of the Island Trading Company's liquidation. The Council hopes that the Administering Authority will energetically pursue its policy of assisting the indigenous companies in order to foster their further development.

Land

Out of a total area of 687 square miles, the indigenous inhabitants are estimated to hold about 250 square miles and the Administration has custody of 434 square miles which includes public domain and land used for governmental purposes. The Administering Authority has stated in the past that the most frequently expressed land problems of the indigenous inhabitants centered around the slow process of returning lands alienated by the Japanese, resolving damage claims arising from the war and providing compensation for land currently occupied by administrative installations. It has reported that the Administration's investigating teams have been progressively studying and disposing of these claims, although the task has been complicated by the destruction during the war of many Japanese land records and survey markers.

The Trusteeship Council and its Visiting Missions received in the past several complaints and petitions from indigenous persons relating to land problems and the Council made recommendations in this regard. At its fourteenth session, the
Council, noting the steps which the Administering Authority had taken to expedite the disposal of these claims, urged it to hasten further their settlement by all practicable means, including the strengthening of the investigating teams. At its sixteenth session, the Council was informed that this work had received additional impetus as a result of an increase in the staff of the Division of Land Titles and Claims and the establishment of new district Land Transfer Boards on Rota and in the Marshall Islands which had enabled more rapid progress to be made in the surveying of landholdings, determination of titles and settlement of claims. In addition, the homesteading programme had been extended in order to augment the economic resources of the Micronesians and to alleviate population pressure. On Ponape, settlers from Pingelap and Kapingamarangi were already homesteading several thousand acres of land and in the Palau district, the municipality of Peleliu had started a 400-acre coconut plantation under the provisions of the homesteading programme. It was anticipated that additional settlers from overcrowded areas would be provided with homesteads in Ponape, Rota, Palau and, to a lesser extent, in Truk and the Marshall Islands districts.

At its sixteenth session, the Council adopted the following recommendation:

The Council, recalling its previous recommendations concerning the need for further measures to hasten the settlement of land claims, notes with satisfaction that encouraging progress has been made in the reversion of land to private ownership and that the staff of the Trust Territory Division of Land Titles and Claims has been increased thereby permitting the more speedy study and settlement of claims. The Council hopes that the Administering Authority will pursue its policy of settling these claims with the least possible delay and will provide more detailed information on the progress made in its next annual report.

Mineral resources

The mineral resources of the Territory are few, the most important being phosphate: there is also some bauxite and manganese which were formerly exploited by the Japanese. In recent years, however, only the phosphate deposits on Angaur Island, in the Palau District, have been mined, the remaining minerals being considered of too poor quality to justify commercial exploitation. The phosphate has been mined by a Japanese company under a contract with the Trust Territory
Government which provided for the payment of a severance fee of $2 per ton to a trust fund on behalf of the people of Angaur and a processing tax of 15 per cent based on the value of Florida phosphate ore. During 1954 over 105,000 tons were mined, but this marked the concluding phase of the operation and the company's contract terminated on 30 June 1955. At its sixteenth session, the Council was informed that the Administering Authority was considering obtaining the services of a geologist to investigate the possibility of exploiting the manganese and bauxite deposits.

At the same session, the Council adopted the following recommendation:

The Council, bearing in mind the need to develop to the full the natural resources of the Territory, notes with interest the statement of the special representative of the Administering Authority that an expert may be sought to investigate the possibility of exploiting the bauxite and manganese deposits and expresses the hope that this investigation will be undertaken as soon as possible.

Fisheries

According to the Administering Authority, the fisheries resources of the Territory are substantial. Although formerly they were extensively exploited by Japanese companies employing Japanese and Okinawan labour, more recent attempts to establish fishing on a commercially exportable scale with Micronesian participation have not been successful. At present fishing is carried out mainly on a subsistence basis though some fishing is done to supply the needs of the district centres. At its sixteenth session, the Council was informed that a special investigation was being carried out into the possibility of establishing a fishing industry and that the services of an expert had been obtained to supervise the fishery and trochus harvesting programmes.

At its sixteenth session, the Council adopted the following recommendation:

The Council, noting with interest the statement of the special representative of the Administering Authority that a special investigation is being undertaken into the possibility of establishing a fishing industry in the Territory and, in particular, that it is the intention of the Administering Authority to encourage the active participation of the indigenous inhabitants in this industry, expresses the hope that information on the results of the investigation will be furnished in the next annual report.
Transportation

Air connexions between Guam and the district centres, except Saipan, are maintained by a commercial company which services a fleet of three amphibious planes owned by the Government. In Saipan air transportation is provided by the United States Navy.

Except in the Saipan District, surface transportation is furnished by two ships, each with 4,800 tons cargo capacity, which travel between the district centres, Guam and other ports; in addition, three ships with 250 ton cargo capacity, an auxiliary schooner and an oceangoing tug serve as station vessels for the district centres. The ships, owned by the Administration, are operated under contract by the Pacific Micronesian Lines.

The problem of sea transportation has previously been of concern to the Trusteeship Council which has followed with interest the measures taken by the Administering Authority to develop shipping services. At its fourteenth session, the Council noted that the provision of an adequate transportation service would continue to require a subsidy and hoped that the Administering Authority would continue to furnish the necessary assistance.

At its sixteenth session, the Council was informed that the goals of the Administering Authority's programme, were, firstly to induce established shipping firms to undertake the task of transportation between the Territory and overseas ports, secondly to assist the Micronesian concerns to provide intra-district shipping to the largest extent possible, and finally to limit the role of the Administration to the operation of inter-district vessels. Progress towards the achievement of the first goal had already been made with the establishment of a transhipment point at Majuro which had already been utilized by several commercial vessels.

At its sixteenth session, the Council adopted the following recommendations:

The Council notes with satisfaction the Administering Authority's decision to establish Majuro as a transhipment port for the Territory in order to facilitate communication with the outside world. Pearing in mind the desire of the Administering Authority that Micronesian enterprises should assume the task of providing intra-district shipping to the greatest extent possible, the Council
hopes that steps will continue to be taken to foster the indigenous shipbuilding industry; in this connexion, the Council also notes the statement of the special representative of the Administering Authority that the Administration will study the best means of providing training in seamanship for Micronesians.

Public Finance

The Trust Territory, as in all previous years, fell far short in the fiscal year 1954 of meeting its public expenditures from local public revenues, and relied heavily upon contributions by the Administering Authority in the form of appropriated funds to cover the costs of administration, which in 1953 amounted to $4,500,000 and in 1955 are expected to amount to $5,000,000.

Local revenue in the Trust Territory excluding the Saipan District totalled $1,339,512 in 1953, $1,570,266 in 1954 and are estimated at $1,357,000 in 1955. In comparison expenditures during the same years amounted to $6,929,178 in 1953, $5,931,392 in 1954 and an estimated expenditure of $6,357,500 in 1955. In addition to this, local revenue in Saipan amounted to $194,406 in 1954 and was estimated at $65,000 in 1955. Expenditure for Saipan totalled $1,051,004 in 1954 and was expected to amount to $392,000 in 1955.

By far the most important source of local revenue is the income derived from freight and passenger revenues which, in 1954, amounted to $976,285. Other important although much smaller sources include the proceeds of a copra processing tax, taxes on imports and exports, fees, duties and other collections. In addition to internal revenue and similar taxes levied by the Government of the Trust Territory, the local governments levy taxes, including capitation taxes, and fees to meet the budgetary requirements of the municipalities.

Japanese currency, postal savings and bonds

The Trusteeship Council has at past sessions been apprised through petitions and representations to its Visiting Missions of long-standing claims by indigenous inhabitants for reimbursements for Japanese currency, postal savings and bonds. The 1953 Visiting Mission, which observed that the delay in settlement of these claims was a source of dissatisfaction among the indigenous people, was of the opinion that while the Administering Authority was not legally liable for
these claims, some final action should be taken on them at the earliest opportunity, particularly in view of the misunderstanding which had arisen as a result of the partial redemption of yen currency by military authorities immediately after the war.

At its fourteenth session, the Council, informed that the Administering Authority hoped to settle the claims for reimbursement for unredeemed Japanese currency and that in fact such settlement had begun in the Saipan District, invited the Administering Authority to intensify its efforts to bring about a settlement of the claims concerning Japanese postal savings and bonds. In the latter connexion, the Administering Authority had stated, in its annual report for 1953, that consideration was being given to the type of claims which might be appropriately included in any special arrangements to be negotiated with Japan on behalf of the inhabitants of the Trust Territory, pursuant to article 4 (a) of the Treaty of Peace.

At its sixteenth session, the Council was informed that funds had been allocated to settle all claims for redemption of Japanese currency collected by the Military Government and that payment was virtually completed.

Observations of members of the Council representing their individual opinions only

General

The representative of Haiti commented that the lack of economic resources condemned the Territory in the immediate future to a great measure of dependence upon the Administering Authority.

The representative of New Zealand commended the measures being taken to diversify the economy by the introduction of new crops as well as to rid the Territory of pests and weeds. He suggested that further study should be made of the feasibility of fostering co-operative enterprises both for the producers of marketable products and for the consumers of trade goods.
The representative of France observed that the potential resources of the Territory were so meagre that there would be a continuing need for outside financial assistance. Despite this, however, the Administering Authority was making methodical efforts at development, and he considered that the greatly increased revenue from handicrafts showed that an attempt was being made to strengthen the economy of the Territory on a modern basis. He suggested in this connexion that the Trusteeship Council should note with satisfaction the results already obtained in the field of agriculture, particularly in the production of cocoa.

The representative of India welcomed the fact that the production of copra, trochus and handicrafts had increased.

The representative of Syria noted that the Territory seemed to be progressing towards self-sufficiency and a reasonable standard of living. He welcomed the various projects undertaken with this purpose in view by the Administering Authority.

The representative of the United Kingdom believed that the Administering Authority should be congratulated on the progress achieved in the field of economic development.

The special representative of the Administering Authority assured the Council that the Administration would continue its intensified efforts to improve subsistence and export crops. He anticipated that the exports on copra, trochus and fisheries who had been employed would help in improving the production of these commodities and that the increase in handicraft exports could be continued. He said that the suggestion for the formation of producer and consumer co-operatives would be studied by the Administration.

Agriculture

The representative of Haiti noted with interest the experiments being made in regard to cacao and hoped that studies on soil and climatic conditions would continue in order to facilitate the introduction of new crops.

The representative of India noted that much had been done in the field of agriculture, but felt that continued attention should be paid to the measures to rid the Territory of pests. Considering that the homesteading programme should prove to be an important way of solving the problem of overcrowding, he suggested...
that consideration might be given to the possibility of establishing co-operatives in farming and in the marketing of agricultural produce in these homesteads and elsewhere, suitably adapted to local conditions.

The representative of Australia thought that the Trusteeship Council would wish to commend the special emphasis placed by the Administering Authority upon strengthening the agricultural programme by increasing funds available for this work, by greatly enlarging the staff of agriculturists, by pursuing a broad programme of agricultural experimental work, including the development of a promising cacao industry and, finally, by the vigorous extension of its homesteading programme.

The special representative of the Administering Authority said that the Administration would continue its increased efforts to improve subsistence and export crops and also efforts to combat the rhinoceros beetle and giant African snail.

Trade

The representative of India considered the replacement of the Island Trading Company by local arrangements to purchase and collect copra and market it under contract with a private firm as a notable example of encouraging self-reliance.

The representative of France noted with interest the efforts to build up indigenous trading companies and hoped that these experiments might be successful.

The representative of Belgium said that it appeared that the indigenous companies had successfully assumed the functions previously performed by the Island Trading Company.

Land

The representative of India, noting that 10 per cent more land had reverted to private ownership, expressed the hope that within the next few years the rest of the land would be returned to the indigenous inhabitants.

The representative of the Union of Soviet Socialist Republics noted that a large part of the land was in the hands of the Administration and not of the indigenous population of the Territory. He observed that some steps had been
taken towards the return of land to the indigenous people but considered that there was still no fundamental change in the situation. Recalling that the 1953 Visiting Mission had received numerous petitions for the restoration of land, he said that neither partial restoration nor the renting of land to the indigenous people were solutions of the basic problem. He deemed it essential for the Trusteeship Council to recommend to the Administering Authority that it prosecute more energetically the solution of the problem of restoration of land alienated from the indigenous population.

The representative of Syria said that the settlement of land claims, while making encouraging progress, still called for great efforts on the part of the Administration and the problem should not be overshadowed by the homesteading programme.

The representative of the United Kingdom noted with interest the progress made in the homesteading programme.

The representative of El Salvador considered that land should be returned to the indigenous inhabitants at a faster rate.

The representative of Belgium was pleased to note the statement of the special representative of the Administering Authority regarding the land claims; he hoped that these claims would be settled in the near future.

The special representative of the Administering Authority said that the homesteading programme was not a substitute for the settlement of land claims since the land involved was unclaimed land in the public domain whereas the unsettled claims related mostly to privately-owned land which had been or was being utilized for administrative or other purposes. In general, virtually all the land in the public domain that was arable and not required for public purposes would be transferred to the indigenous people.

Mineral resources

The representative of Haiti suggested that the Council should recommend the study of the possibility of resuming the exploitation of bauxite and manganese in the interest of the Territory's economy.
The representative of India also felt that further inquiries might be instituted into a suitable market for the bauxite ore and asked for more information on the estimated quantity and quality and the possibility of marketing manganese deposits. He was pleased to note that back-filled land mined for phosphate had been ready for cultivation in a year's time.

The special representative of the Administering Authority said that the possibility of mining the bauxite and manganese deposits would be investigated but past experience and the poor quality of the deposits indicated that the possibilities were not good.

**Fisheries**

The representative of Australia, noting the recent appointment of an expert to supervise a fishery and trochus harvesting programme, expressed the hope that the Administration's interest in these resources would be maintained and that no opportunity would be lost to facilitate and encourage the development of indigenous marine industries.

The representative of the United Kingdom was confident that the Administering Authority would not cease to encourage the development of fisheries. He noted the spectacular increase in the production of trochus.

**Transportation**

The representative of India welcomed the Administration's decision to establish Majuro as a world port.

The special representative of the Administering Authority said that the suggestions which had been made regarding training in seamanship would be studied by the Administration.
Public finance

The representative of Haiti noted that the estimated expenditure and revenue of the Territory for 1955 amounted to $7,249,500 and $1,422,000 respectively, thus leaving almost $6,000,000 to be supplied by the Administering Authority. He wondered what the long-range effect of this position would be on the population of the Territory, the economic resources of which were extremely limited.

The representative of India, considering that the annual subsidy of $5,000,000, which was about four times the local revenue, was an unhealthy condition, suggested that a lower degree of dependence on United States funds should be established, and that consideration should be given to the desirability of having two budgets, one relating to local revenues and expenditures, and the other showing details of the subsidy.

The special representative of the Administering Authority said that copra was already carrying a heavy burden of taxation and further study would be required to determine whether additional taxes on it would be wise. He added that the expense of collecting an income tax would be out of proportion to the revenue. As regards the proposal of the Indian representative for two separate budgets, he felt that the complications of budgeting on a territory-wide basis were not sufficiently understood to enable the population to benefit from such a procedure.

Japanese currency, postal savings and bonds

The representative of India, noting that the claims in respect of Japanese postal savings and bonds were now under discussion between the Administering Authority and the Government of Japan, urged that this question be settled in the immediate future.

A similar statement was made by the representative of Syria.

The representative of China noted with satisfaction that practically all the Japanese currency redemption claims had been settled and hoped that the arrangements which were being made for the settlement of the postal savings and bond claims would be acceptable to the parties concerned.
IV. SOCIAL ADVANCEMENT

Outline on conditions in the Territory and recommendations adopted by the Council

Labour

Regular wage earners form only a small minority of the indigenous population. At the end of June 1954, the total number of indigenous workers was approximately 2,145 of whom approximately 1,250 (250 less than in the previous period) were employed by the Administration and 895 were engaged in business enterprises and work for the military (including 251 engaged in private employment and missionary activities), showing an increase of 368 over the number reported in the previous year. At its sixteenth session, the Trusteeship Council was informed that interests of workmen were safeguarded by labour laws and regulations and that the conventions of the International Labour Organisation had not yet been applied to the Territory because they were mostly directed to conditions quite different from those prevailing in the Territory.

At the same session, the Council adopted the following recommendation:

The Council, having noted that the convention of the International Labour Organisation have not yet been applied by the Administering Authority to the Trust Territory, and while aware that in many respects the conventions are directed to conditions which are different from those prevailing in the Territory, expresses the hope that the Administering Authority will continue to study the possibility of applying the conventions and requests it to inform the Council from time to time of the decisions taken in this regard.

Medical and health services

The Territorial Government provides a medical and health service for which a total of $618,364 was expended in 1954 compared with $715,951 in 1953. During the period under review, the Administering Authority reported that as recommended by the Trusteeship Council at its fourteenth session, continued efforts had been made towards the improvement of health conditions in the Territory, evidenced by the decline of the disease rate and the rapidly increasing birth rate. Further improvements and additions in medical facilities
included the completion of a tuberculosis ward at Palau, the establishment of a hospital on Rota and the rehabilitation of the Yap hospital. Plans had also been prepared for additional semi-isolation centres for leprosy, and for the provision of new hospital facilities in all the districts with the exception of the Marshall Islands.

The Public Health Department continued to maintain a medical training programme for Micronesians. During 1954, 30 students were studying medicine and dentistry at Suva, Fiji; four medical graduates were receiving advanced training in Hawaii; seven nurses graduated from the Ponape Nursing School; and a sanitation school was opened for three months at Truk. At its sixteenth session, the Council was informed that as a result of this training programme, the Public Health Department had found it possible to place greater responsibility upon Micronesians in all its branches, thus permitting some reduction in its American personnel. During the preceding year, 19 graduates from Suva, seven graduate nurses from Ponape and a smaller number of sanitarians and laboratory technicians joined the staff.

As regards the overall numerical strength of the medical staff, the Council was also informed that the number of non-indigenous personnel decreased from 35 (including 11 physicians and 4 dentists) in 1953 to 27 (including 11 physicians and 1 dentist) in 1954. The total indigenous personnel was 302 (including 31 medical and dental practitioners and interns and 37 graduate nurses) in 1954 as compared with 352 (including 25 medical and dental practitioners and 35 graduate nurses) in 1953.

Observations of members of the Council representing their individual opinions only

General

The representative of France observed that the rate of population increase, due largely to medical progress, would constitute a major problem in the future. In this connexion, he repeated an earlier opinion expressed by his delegation that, despite the efforts of the Administration to develop the economy, the limited resources of the Territory would require a part of the population to emigrate.
The representative of Syria said that no great progress could be achieved, particularly in the social field, without generous subsidies from the Administration. He considered that the revenues of the Territory were hardly of a nature to foster social progress and to increase and improve the medical services of the Territory.

The special representative of the Administering Authority believed that there would always be substantial differences in standards of living between islands due to the differences in their suitability for production of various crops and the amount of land available. The efforts of the Administration to diversify and improve crop production would help to modify differences in the productivity and income of various areas but could not create equality.

Labour

The representatives of Haiti and Syria urged that attention be given to the desirability of applying such of the conventions of the International Labour Organisation as were suitable to the Territory.

The representative of Haiti also noted that no legislation existed concerning workmen's compensation and believed that their rights and obligations should be clearly guaranteed by law.

The special representative of the Administering Authority said that the conventions of the International Labour Organisation had been carefully studied but that it was felt that for the most part they were directed to conditions quite different from those prevailing in the Territory.

Medical and health services

The representative of Haiti noted a considerable improvement in health conditions as well as in medical facilities, but that tuberculosis remained the main cause of death in the Territory. He suggested that attention should be given to the question regarding the deficiency in the protein diet of the population.

The representative of New Zealand noted that the people of the Territory were enjoying reasonably good health, but he believed that more and better trained indigenous personnel were needed for public health work.
The representative of India stated that nutrition and public health standards were generally good.

The representative of France noted the progress achieved in the training of medical personnel and hoped that the new isolation centres for lepers would contribute to a solution of the problem of leprosy.

The representative of the Union of Soviet Socialist Republics noted that under the period under review there had been a reduction in the expenditure on health services and in the number of medical personnel. Observing that the indigenous medical practitioners were not fully-qualified physicians, he considered it abnormal that after years of foreign domination not one fully-qualified medical doctor had been trained from among the indigenous inhabitants.

The representative of Australia noted an increasing participation of Micronesians at increasingly high levels in the Health Department which reflected the remarkable success of the Administration's training programme. He also observed that the progress made in the health field was evidenced by the reported reduction in the incidence of disease and the increasing birth rate. He considered that the present emphasis on health education and preventive measures provided an assurance of even more satisfactory results in the future.

The representative of the United Kingdom noted the increase in the numbers of indigenous medical and dental practitioners and internes and graduate nurses.

The special representative of the Administering Authority stated that the reduced expenditures on public health during the period under review were due to the return of additional medical and dental graduates from the Suva Medical School, the acquisition without cost of surplus materials from the United States Government and the reduction in the number of patients at the Tinian leprosarium. He pointed out that the success of the programme could be judged by the continued improvement in public health and he said that environmental sanitation was receiving additional attention.
V. EDUCATIONAL ADVANCEMENT

Outline of conditions in the Territory and recommendations adopted by the Council

General

The main educational objectives of the Administering Authority are to provide every child with six years of elementary schooling, to enable selected students to proceed to secondary education and to encourage the Micronesians in every way possible to assume themselves the responsibility for education. To accomplish these objectives a free public school system has been established which is supported jointly by the Administration and, at the primary level, by the municipalities. There is also a small number (23) of non-subsidized mission schools which supplement the public school system. The Administering Authority further states that its policy is to adapt the curricula of the schools to the various local cultures and needs of the indigenous communities.

Steady progress was reported in 1954 in the over-all provision of the educational services. The number of pupils attending schools of all kinds within the Territory increased from 8,942 on 30 June 1953 to 9,219 (including 1,106 from the Saipan district) on 30 June 1954. Of the total of 9,219, 9,098 were enrolled in 178 elementary and intermediate schools, indicating an increase of 281 pupils and three elementary schools and a decrease of one intermediate school. At the Pacific Islands Central School, which was organized in order to bring selected students up to a standard roughly comparable with that of a senior secondary school, there were 121 students, or four less than in the previous period. The total number of students receiving higher education outside the Territory was 200, of whom 36 held government scholarships and 60 held other scholarships, representing an increase of 43 over the number reported in 1953. Between July 1954 and 30 June 1955 the enrolment of pupils in all districts rose from 9,219 to 9,588, and a total of 173 students were studying overseas. During the same period twenty local communities either constructed new elementary school buildings or made additions to old buildings.
Public expenditure on education in 1954 totalled $386,816 compared with $435,440 in 1953. Expenditure in 1954 by municipalities for public elementary schools amounted to $86,001. Commenting on a recommendation of the Council at its fourteenth session that subsidies should be granted to municipalities for the construction or improvement of school facilities, the Administering Authority stated that its policy was to develop further understanding and acceptance of responsibility for support of public services needed and desired in any community. Some achievement in this regard was evident in the construction of additional new schools, construction of new facilities at established schools, and repair and improvement of other existing buildings and facilities. Further improvement was, of course, desired and encouraged in many communities. The Territorial Government continued to encourage the use of satisfactory local materials and construction through community organization of volunteer labour rather than the unnecessary use of costly imported construction materials, and programmes of taxation or other financing to accomplish construction. Some subsidization in the form of necessary materials, transportation services and technical assistance was given to communities realizing their needs and attempting to meet them. In some instances, the Administering Authority stated, larger direct subsidies might well be a deterrent to sound community development where needs, understanding and desires of the people concerned had not yet developed to the extent that resources available were used for self-help.

At its sixteenth session, the Council adopted the following recommendations:

- The Council welcomes the encouragement given by the Administering Authority to local communities to take increasing responsibility for the financing and organization of education at the primary level, notes with satisfaction the adaptation of curricula to local cultures and needs and expresses the hope that the Administering Authority will continue to take all necessary steps to provide education for all children in the rapidly increasing school-age population.

- The Council, considering the importance for the future of the Territory of providing an increasing number of Micronesians with an opportunity to obtain advanced training overseas, particularly in the field of medicine, recommends that every effort be made to raise the level of secondary education in order that students may obtain admission to overseas colleges and universities.
The Council takes note of the observations of UNESCO (T/1181) on the educational situation in the Territory and commends them to the attention of the administering Authority.

Teachers

The staff of the Department of Education totalled 95 on 30 June 1954, as compared with 127 of 30 June 1953, showing a reduction of 11 posts held by non-indigenous and 21 posts by indigenous personnel. Between July and December 1954, the number of Micronesians in the administrative and advisory positions increased from 63 to 76, including three important positions filled by them for the first time.

In 1954, the number of indigenous teachers in public schools rose from 316 (including 275 elementary teachers) to 325 (including 285 elementary teachers) of whom 227 were non-certificated teachers. During the period under review, it was reported that the Administration had continued its efforts to improve the quality of teachers by providing summer education courses, refresher training and in-service assistance, as well as by establishing minimum qualifications for elementary teachers in two districts.

The problem of providing adequate incentives to teachers had been referred to by the Council at its fourteenth session, when it recommended that the Administering Authority review the salaries of indigenous teachers. At its sixteenth session, the Council was informed that during 1954, steps had been taken to raise the status and salaries of teachers. In some districts local tax measures had been adopted which would permit increased Micronesian support of public education programmes including the payment of teachers' salaries. Ponape District advisers had recommended and estimated that a minimum salary increase for teachers of 25 per cent might be granted. It was anticipated that all districts would develop the means to make comparable increases.

At the same session, the Council adopted the following recommendation:
The Council takes note of the progress made by the Administering Authority in co-operation with municipalities to increase the status of the teaching profession in order to effect an improvement in the number and the calibre of teachers, and urges the Administering Authority to continue to give close attention to the training, conditions of service and salaries of indigenous teachers.

Observations of members of the Council representing their individual members only

General

The representative of Haiti noted that the number of students at both the primary and secondary levels had increased, but that certain subjects of a general character were not taught in the schools. He emphasized the need for better education to fit the population for more advanced studies.

The representative of New Zealand found that the situation with regard to education was very promising. He agreed with the objectives which the Administration had established for its educational programme. He felt that the policy of adapting the curriculum to local cultures and needs as well as the school construction and rehabilitation programme, which was being undertaken largely by the indigenous population themselves, deserved the commendation of the Council.

The representative of India welcomed the enlightened and realistic policy of the Administering Authority in reorganizing the curriculum to take into account the local cultures and environment. While stating that the efforts of the Administration to encourage self-reliance in the provision of schools were praiseworthy, he expressed the hope that more and better facilities would be provided by the Administration for backward communities. Stating that the general level of education was still somewhat low, he suggested that more attention should be given to developing the facilities for secondary and higher education.

The representatives of India, China and Australia commended the observations of UNESCO to the attention of the Administering Authority.

The representative of France considered that the Trusteeship Council should note that a very serious effort had been made in all fields of education.
The representative of the Union of Soviet Socialist Republics considered that there had been a deterioration in the educational situation during the period under review which was shown by the reductions in budgetary appropriations despite the admitted need for new buildings and equipment, the reduction in the number of scholarships for study abroad and the decrease in the number of secondary school students to which reference had been made in the observations of UNESCO on the annual report. Referring also to the inequalities in and general inadequacy of the salaries of indigenous teachers, who received one-fifth or one-sixth of what European teachers received, he considered that the Trusteeship Council should adopt a recommendation calling upon the Administering Authority to improve radically the educational conditions in the Territory by increasing budgetary expenditures for education, by intensifying the building of schools and by improving the pay scales of teachers.

The representatives of Syria and El Salvador considered that the educational budget should be increased.

The representative of Belgium congratulated the Administering Authority on the number of schools built during the year and noted that twenty had been built by municipalities.

The special representative of the Administering Authority did not believe that there was a single island or community that could not provide an adequate elementary school with its own resources. He considered that this effort helped to increase popular support for the educational programme. He pointed out that on the intermediate and secondary levels school facilities were provided by the Administration.

Teachers

The representative of the Union of Soviet Socialist Republics observed that the level of teaching in the schools was low. Only a quarter of the teachers in primary schools had had a secondary education, the remainder being without the requisite training.

The representative of Belgium was happy to note that measures had been taken to increase teachers' salaries.
The representative of the Administering Authority said that to make the salaries of teachers equal throughout the Territory would be to ignore differences in economic levels and incomes in different areas. The Administration was seeking to engender support for education by calling upon municipalities to accept their responsibilities in this respect and it was heartening that local communities were now giving this support.