

IN PAPUA.

DEVELOPING THE NATIVE RACE.

GOVERNMENT PLANTATION SCHEME.

In Papua the Government are establishing native plantations. They are instructing the natives how to take care of them and to develop the country in their own interests.

"I have no cock and bull stories to tell," said Mr. F. E. Williams, Assistant Government Anthropologist of Papua, who is spending his vacation in Adelaide before returning to New Guinea at the end of the month, "but the next time I come home I shall have some really good yarns invented of head hunters and narrow escapes from death and torture. People expect them, and I do not like to disappoint them."

Life in Papua, Mr. Williams explained to a representative of "The Advertiser" on Tuesday, was tolerably secure, except in remote parts of the territory, but the greater part of the country was under the Government's thumb. The natives were gentlemanly and courteous, and although his work took him into the bush, where he observed their manners, customs, and religious rites, he had never been molested, nor had his life been threatened. Speaking of security of life in Papua, the Lieutenant-Governor (Judge Murray) had once remarked that life was safer in Papua than in many parts of Australia and England.

Papua, Mr. Williams said, was often confused with the mandated territories, but it had never been a German colony. It was an Australian dependency, and its Government was responsible to the Commonwealth. The population was under 300,000, and there were about 7,000 whites. In some parts of the country the population was increasing, and in others it was decreasing, and it was part of his job to ascertain the reasons for these fluctuations. The Government wanted to see the native race prosper, both on its own account and for the development of the industries of the country.

Developing the Country.

There were two methods of developing the country. The first favored the white commercial element, which was looking to native labor to work the copra and rice plantations in the interests of the white man, and the other scheme was to develop the country through the natives themselves. Both methods were worked side by side. The attempt to make the native his own master was a most interesting experiment.

In the Government plantations scheme, the natives, under white inspectors, attended to their copra and rice, receiving half the profits from sales. The other half went to the Government in trust for the natives. Out of this second half all expenses were paid, and the surplus went towards a native benefit fund. This fund was devoted to technical education and to other services for the welfare of the people.

The plantations were generally the property of the villages, and it took some time to induce the villagers to adopt the scheme. At first they were inclined to think it was a trick to get them to work for the Government. Afterwards they began to realize its value. In some villages the chief helped the Government to carry out the scheme, but in all villages the most valuable and important man was the village constable, or V.C., as he was called. This V.C., who was a young man specially selected by the Government, carried out a multifarious range of duties for 10/6 a year, a showy apron, and a pair of handcuffs. Among other things he had to see that records were kept, that the village was clean and ship-shape, and that the houses were in good condition. He often made long journeys into the country, and worked very hard. In some cases he was the village chief, and as such he helped to organize the native plantations.

"These men are extremely conscientious," said Mr. Williams, "with an acute sense of duty. I remember on one occasion a V.C. had an altercation with another native in which he knocked the latter down. I do not know whether or not he killed him, but his allegiance to law and order was so true that he clapped his handcuffs on his own wrists and thus manacled walked to the house of the Resident magistrate, where he gave himself in charge."

The Indenture System.

Native labor was employed by white settlers under the indenture system. The native signed on for a period under three years and was paid at the rate of £6 a year. There were strict regulations safeguarding the welfare of the indentured laborer. These provided that he must be adequately clothed and housed, that he must receive medical attention and that he must not be man-handled. In the event of an indentured man refusing to work, he was imprisoned for a short period.

The Papuans were good workers—they were gardeners for the most part—said Mr. Williams, and although inferior mentally to whites, they were capable of attaining a considerable degree of technical skill. Hence the value of technical education which the Government were fostering. The missionaries in this connection were doing much good work. At present the education of the natives was undertaken by them with Government assistance. They received A B C instruction, religious instruction, and a good deal of technical instruction. The reports which

Mr. Williams was compiling would be used by the Government in evolving an educational scheme in keeping with the culture and civilization of the natives.

Judge Murray, said Mr. Williams, was highly respected both by the natives and the white settlers. He was looked upon as an able administrator who always kept in view the interest of the Papuans.

Asked if he found life monotonous in Papua, Mr. Williams said the whites in Port Moresby were a tolerably happy community. "A lady novelist," he said, "once described Port Moresby as the 'sink of the Pacific.' This is not true. As a matter of fact at times it is apt to become rather slow."

Mr. Williams, who is a son of Mr. D. Williams, of Unley Park, was a former Rhodes scholar of this State. He graduated at Adelaide University, spent three years at the war, and from 1919 to 1921 was at Oxford, where he took a course in anthropology. He has been in Papua for two years.

Nowaday the Australian notes reserve thus consists of gold, Government securities, and trade bills, and the desirable property of elasticity has more or less been attained. But the fact that the 1920 Act still requires the 25 per cent. gold reserve raises the question whether the note issue would be elastic in a crisis—a time when that property is essential.

If the reserve were reduced to nearly the legal maximum and unusual demands were made for the redemption of Australian notes, there would be great difficulty in trying to increase the gold reserve; also the same difficulty would be encountered if the demands were for more notes. For example, suppose that 100 £1 notes are issued, against which is kept a gold reserve of £25. Not a single additional note could now be issued, for £101 is more than four times £25, also not a single note could be cashed, for £99 is more than four times £24. Hence the 1920 Act would have to be suspended.

MORE ELASTICITY WANTED.

Whenever a rigid proportion is fixed between gold and notes this state of affairs is bound to occur, as it has already happened with regard to the Bank of England on more than one occasion. A saving clause should have been introduced into the 1920 Act, namely, that notes could be issued in excess of the legal maximum, but subject in such a case to a fairly high tax, which would prohibit an excessive issue at a time which did not warrant it.

Even if such power of excess were given the situation would not be altogether free from danger. Although the Commonwealth Bank is to a certain degree the custodian of the gold reserves of Australia (a position due more to the war than to purposive action) it is not yet the banker's bank, nor does it control the discount market. In a time of monetary stringency and impending crisis the Banks of England, Germany, and Sweden were able to increase their gold reserves by raising the rate of discount or by the sale of Government securities. In Australia, however, the market for the latter is too limited, and in regard to the former, the action of the Commonwealth Bank alone would have little or no effect.

Consequently, even if the bank were empowered to exceed the legal maximum of issue, difficulty would arise in regard to its subsequent contraction, and in stopping a drain of gold.

However, this is but speculation about the elasticity of our currency in a crisis. But if a crisis should occur the remedy must evidently lie in the concerted action of the associated banks.

14 MAY 1924
News

PAPER NOTES

COMMONWEALTH ISSUE

Where Act is at Fault

(By T. S. Opie, Dip. Ec.)

Problems arising out of the regulation of a paper currency centre mainly round the question of the reserve. Act No. 21 of 1911, amending section 9 of the Australian Notes Act, provided that "the Treasurer shall hold in gold coin a reserve of not less than one-fourth of the amount of Australian notes issued."

Jevons has given 14 different methods of regulating a paper currency, and not one of them is perfect. The difficulty is that to be most beneficial a good paper currency must harmonise two opposing purposes—namely, it must economise gold so that large supplies will not be locked up doing nothing, and there must be sufficient gold to meet a rush for conversion.

A Government note issue, of course, is different from the note issue of a private bank. Governments can always, as a last resort, make their notes convertible, but the consequences of this measure are so disastrous that any Government which adopts it is already on the way to ruin. When the credit of a nation is, so to speak, pyramided on a convertible paper currency, then an adequate reserve should be held even if some profit has to be lost by keeping the gold idle.

While our note issue was controlled by the Commonwealth Government the advantages derived were overshadowed by the disadvantages. Although the confidence of the public in Government paper and the securing of additional revenue without resorting to taxation were desirable, they were only obtained at the cost of political interference and want of elasticity.

Elasticity is simply the power of paper money to adjust its volume to the need of business for currency. But Australian notes were not issued as loans to Australian business. They were issued to pay Government dues; they helped to build public works of the various States; they were issued to the private banks, who had to pay £1 in gold for every £1 note they received.

EVIDENCE OF HISTORY.

If what one man has done in the past affords a clue to what he is likely to do in the future, then the evidence of history is clearly against a Government paper currency. Treasury or political necessities, plus the ignorance of legislators, resulted in the past and during the late war in the over-issue of notes. This result is inevitable, as a Government is not a financial institution supplying credit to commerce and industry, and hence is not aware of the fluctuating demand of the business world for accommodation.

After the war the Government decided to take a step which would make the paper currency an advantage to the business community (and indirectly to Australia as a whole) instead of to the Commonwealth Government. By the Act No. 43 of 1920 the "Australian Notes Act, 1910-1914," was repealed and the control of the note issue was handed over to the Commonwealth Bank. Sir J. Cook on September 16, 1920, remarked that in the hands of the bank "the amount of note issue will automatically contract and expand according to business requirements, and commercial bills will form a large part of the assets."

With the Magistrates the young prosecuting officer is held in the highest esteem. His ready knowledge of the law pertaining to the State Children's, Marriage, Women's Protection, and Destitute Persons' Act is continually availed of by the Bench.

Mr. Philcox graduated at the Adelaide University last year, obtaining the diploma of associate in commerce.

Application to study has precluded him from taking an active part in sport, but he is keenly interested in cricket and football, and is one of Sturt's ardent supporters.

Register
15 MAY 1924

CHARLES SCHILSKY WILL DO.

"He'll do," was the laconic remark of one musician to another as the huge audience left the Elder Hall on Monday evening, after hearing Mr. Charles Schilsky at his first violin recital since his appointment on the staff of the University Conservatorium. After the entrance of the Lieutenant Governor, who is also the Chancellor (Sir George Murray), Miss Murray, the Vice-Chancellor (Professor Mitchell, just back from overseas), Sir Reginald and Lady Buckland, and Professor and Mrs. Harold Davies, and their daughter-in-law, who seated themselves on the new, and very uncomfortable (apparently) brown chairs in the front row, there was a dramatic pause which lengthened, and so people began to talk. What a hum! One wondered what they were talking about, and felt sure a great deal of it was, "Are we, or are we not, going to have the grand opera company here?" Mr. Schilsky and his violin hove in sight round one of the tall brown wood screens which were the only furnishings on the platform other than the piano, two chairs, a music stand, and the fire extinguisher. The hum changed to a roar, and the artist, grey-haired, very keen brown-eyed, well turned out in London clothes, bowed with quiet restraint. And that quiet restraint which hides a splendid strength marks the hole of his performance. One would call him "the strong, silent man of the violin." Almost before one received any impression of his skill one realized his possession of a rare, yet invaluable characteristic—tact, and also the absence of that abominable trait which is the ruin of many an artist—conceit. One would have thought that it was the other artists who were the stars, by the quiet way in which Mr. Schilsky brought them forward, and did not make any bid for a furor over himself. It just made one think that the really great never push themselves—they have no need to. But he got his furor all the same. He is a master of the violin in every sense of the word. He has no platform tricks whatever (the saints be praised), does not throw long hair up in the air, or any extravagant gestures. Always the "quietness" and control, and he produces wonderful quality of tone—clear, smooth singing. Of most finished technique, realizing what his coming will mean to the future of our young students of the violin. One does not hesitate to say he will prove himself a great acquisition to the staff of the Elder Conservatorium.

State Children's Prosecutor

Mr. Claude Joseph Philcox, prosecuting officer of the State Children's Department, who is well known in Court circles, is the elder son of Mr. and Mrs. William Philcox, of Seventh avenue, St. Peters.

Born in the Port Adelaide district, Mr. Philcox received his primary education at the seaport public school, and continued his secondary studies at the Norwood High School. He there took his intermediate certificate, and later was a successful candidate in the Civil Service examination.

Mr. Philcox joined the State Children's Department in 1914. It was not long before the more important duties of the office were entrusted to him, his superiors recognising that he was an officer of tact and ability. Three years ago he rose to the role of prosecutor. The new duties threw upon him grave responsibilities.

Not only is Mr. Philcox required to act as mediator in disputes between parties to unhappy marriages, but the onus of preparing cases for presentation to the Court and the subsequent conducting of them falls upon his shoulders. He is also invested with the responsibility of conducting cases in which the paternity of children is sought to be established.

While most of his duties are performed in the city Courts, they often take him to country centres.



Mr. C. J. Philcox



PROF. R. W. CHAPMAN, who proposed the toast, "The Cement Industry of South Australia."