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The New Guinea goldfields between the wars

an address to the Institute on 26 June 2012 by

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In the 1930s, the New Guinea goldfields were the second-largest gold-mining province in Australasia and the main source of the territory's revenue. This was made possible by world-leading air transport and was ended by Japan's invasion in 1942. Australia's indifferent administration of the territory under a League of Nations mandate was a lost opportunity.

Key words: New Guinea; Australia; Japan; League of Nations; World War II; goldfields; air transport; colonial administration.

Today, few people know much about Australia's colonial experience in New Guinea between the wars, when the territory was administered by Australia under a League of Nations Mandate. Destruction of records by Japanese and Australian troops left the historical record poorly documented. Research into my grandfather's activities in connection with gold mining in New Guinea between the wars left me with many fascinating stories and facts about the period and resulted in a book on which this address is based[1].

The goldfields were the key to New Guinea's survival between the wars. Most economic activity was linked to them and they were the main source of revenue for the Administration. Despite considerable transport and communication difficulties, New Guinea emerged during the 1930s as the largest gold mining province in Australasia, other than Western Australia. The story of how this happened is a remarkable one.

Australia's New Guinea Mandate

At outbreak of war in 1914, Germany had a significant naval force in the Pacific. There was a coaling station at Rabaul, the capital of German New Guinea, which was also part of a chain of wireless stations connected to Berlin. In view of this threat, an Australian Naval and Military Expeditionary Force was despatched from Sydney a fortnight after war was declared. It arrived at Rabaul on 11 September and, by the end of the day, the wireless station had been captured. A military administration then operated until 1921.

At the Versailles Peace Conference, Australian Prime Minister Billy Hughes argued strongly for the full annexation of German New Guinea by Australia. The development of the territory and welfare of its people mattered little to Hughes. Along with Papua, his interest in New Guinea was as a bulwark against possible future Japanese aggression.

In the end, a compromise was reached, with Australia being given a mandate to administer New Guinea on behalf of the League of Nations. The Mandate imposed various obligations on Australia, in particular requiring it to *"promote to the utmost the material and moral well-being and the social progress of the inhabitants of the territory".* The *New Guinea Act,* which provided the framework for the Administration's activities, pointedly excluded any reference to this obligation. The government was far more interested in expropriating German property and businesses, both as reparation for some of its war losses and the employment opportunities they would provide for returned soldiers. On 9 May 1921, a new civilian administration took over from the military administration.

The government's indifference towards New Guinea was reflected in several early decisions. The new Administrator, Brigadier-General Evan Wisdom, was not a good choice. He lacked any experience in colonial administration and was strongly opinionated. Preference was given to World War 1 veterans when appointing Administration staff, most of whom were untrained and unsuited to the challenges ahead. The government further impeded the scope for effective administration by providing that all important decisions regarding the Territory's administration were to be made in Australia by the Minister for Home and Territories and his department. Finally, the government imposed a financial strait-jacket on the Administration, explicitly stating that it would not contribute to the Territory's budget.

At this point, the outlook was far from promising. The non-indigenous population was tiny. In 1922, there were only 1500 Europeans in New Guinea and a similar number of Chinese, whose immigration had been encouraged by the German Administration because of the need for cooks, tailors, carpenters, mechanics and market gardeners. Most Europeans lived in Rabaul or on copra plantations, the largest of which were on New Britain and New Ireland. Others were on smaller islands and scattered around the coastal fringes of the New Guinea mainland. Copra produced 90-95 per cent of New Guinea's exports. With a lacklustre Administration, a narrow revenue base and virtually no infrastructure, it seemed inevitable that New Guinea would remain a backwater. However, the outlook changed for the better with the discovery of gold.

[1]Michael Waterhouse (2010). *Not a poor man's field: the New Guinea goldfields to 1942 – an Australian colonial history* (Halstead Press: Sydney). It may be purchased through bookshops or directly from the author through his website www.notapoormansfield.com.

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