

Colony of North Borneo annual report.

Contributors

North Borneo.

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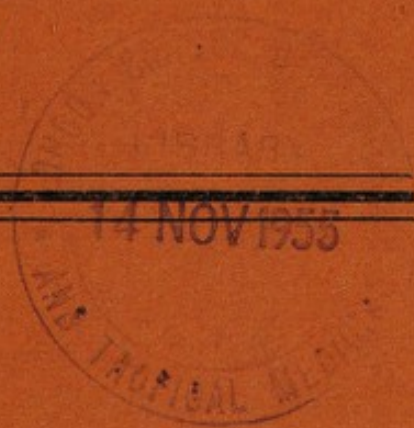
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COLONIAL REPORTS

North Borneo 1954

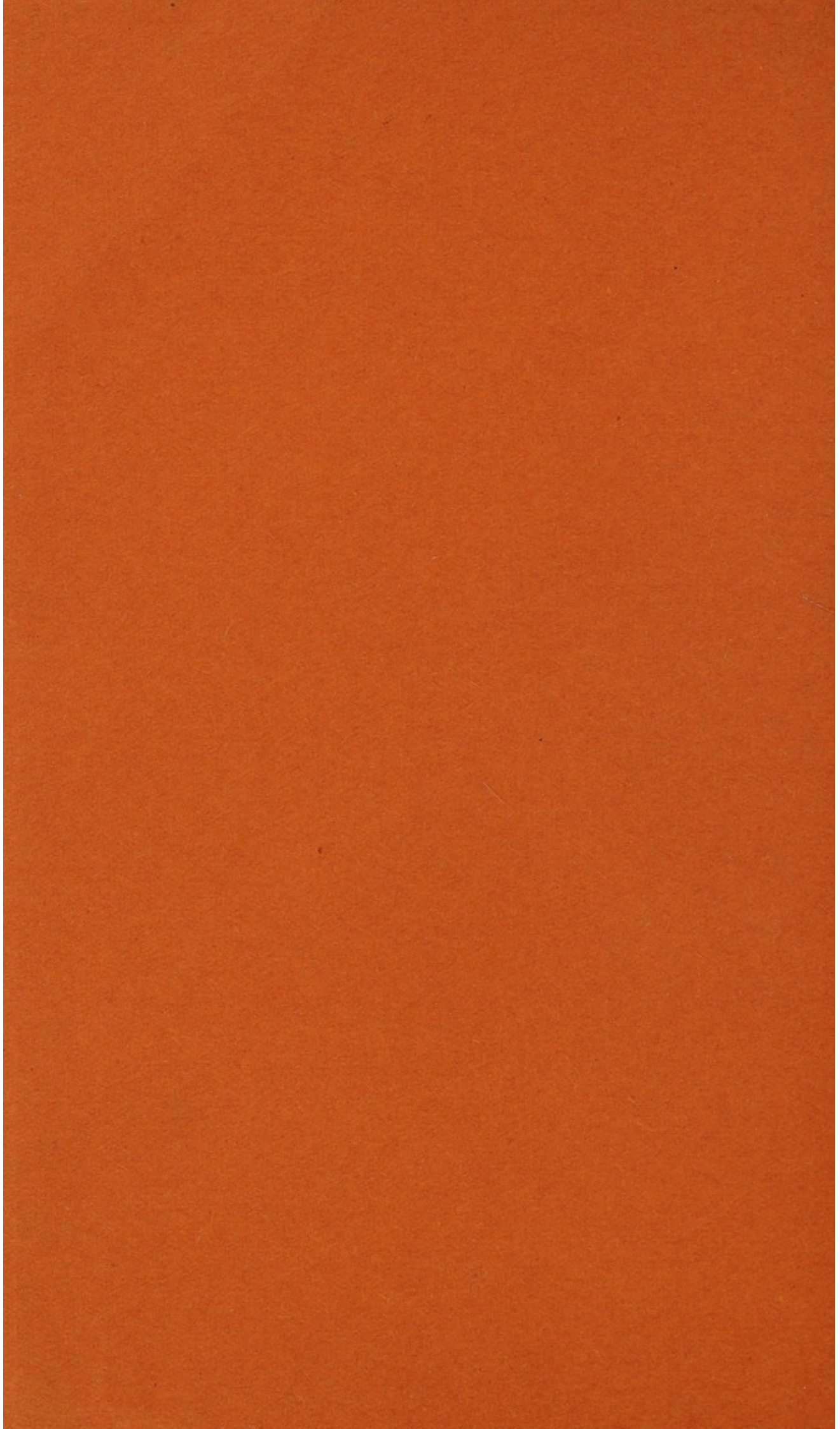


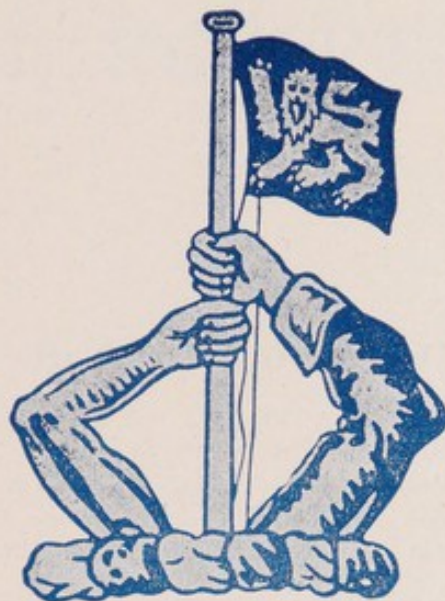
LONDON

HER MAJESTY'S STATIONERY OFFICE

1955

SIX SHILLINGS NET





PERGO · ET · PERAGO

NORTH BORNEO COAT OF ARMS

His late Majesty, King George VI, by a warrant dated the 13th September, 1948, granted to the Colony of North Borneo its Coat of Arms. The Arms are a combination of the original Arms of the Straits Settlement of Labuan and those of the British North Borneo (Chartered) Company, which, from November 1st, 1881, until July 15th, 1946, enjoyed sovereignty over North Borneo.

The Arms of Labuan are represented by the lower half of the panel which shows Mount Kinabalu in the background and a sailing ship in the foreground. On the mainsail of the schooner is the letter 'T', which commemorates the liberation of Labuan and North Borneo from Japanese occupation by the 9th Australian Division. The 'T' represents the shoulder badge of that Division, and stands for Tobruk, where the 9th Division won a historic victory over the Germans.

The Chartered Company's Arms are represented by first, the lion and, second, the two arms holding the flagstaff. The second representation symbolizes the joint efforts of the people of North Borneo and of the British to secure the Colony's progress.

The Latin motto "Pergo et Perago" was the Chartered Company's and means "I persevere and I achieve".

COLONY OF NORTH BORNEO

ANNUAL REPORT, 1954

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General Review

HIS EXCELLENCY, MR. R. E. TURNBULL, C.M.G., was installed as Governor and Commander-in-Chief of the Colony of North Borneo at an impressive ceremony in the Council Chamber on March 4th, 1954.

PART ONE

It is the Government's policy to associate the people in the management of their own affairs. This is being done in a number of ways. There are advisory bodies and advisory committees upon which the public are represented, but more important is the growth of local government. Legal provision exists for the establishment of Local Authorities in both rural and urban areas. The first Local Authority under the Rural Government Ordinance, 1951, was established in the predominantly Native district of Kota Belud in 1952 largely as an experiment. Although experience has shown that the development of an awareness of the privileges and obligations of local government can only be a gradual process, the success achieved has been sufficient to justify the setting up of further such Authorities; and during the year final arrangements were made for the establishment as from the beginning of 1955 of a similar Authority at Sipitang where the population is also predominantly Native.

There has also been a considerable advance in the towns where the Chinese form the bulk of the population. The former Sanitary Boards Ordinance of 1934 was replaced during the year by the Municipal and Urban Authorities Ordinance of 1953, which provides for the development of urban local government up to full municipal status. Under this Ordinance, Town Boards with unofficial majorities and a large measure of financial control were constituted at Jesselton and Sandakan.

PART ONE

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An important administrative development was the creation of "district teams" to co-ordinate plans at district level and to ensure smooth and harmonious administration. The teams are composed of the chief local representative of each department and prominent local unofficial residents under the chairmanship of the District Officer. Frequent meetings are held.

Thirty-two chiefs attended the Annual Conference of Native Chiefs, which was held at Kent College, Tuaran. The purpose of the Conference was, as in former years, to enable the leading representatives of the various Native communities to discuss together freely matters of common concern.

The inhabitants of the Colony maintained their law-abiding reputation and the incidence of serious crime was again low. In March, however, occurred a distressing and disturbing incident, when a large band of Suluks from the Philippines, using light craft powered with outboard engines, and armed with automatic weapons, raided the township of Semporna on the East Coast. A Forest Officer, one Police Sergeant and two Police Constables lost their lives in gallant circumstances, and \$70,000 worth of property was looted. Immediate measures were taken to intensify patrols along the East Coast and to improve radio communications. Considerable help, which is gratefully acknowledged, was received from the Royal Air Force.

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The revised estimate of Ordinary Revenue during 1954 amounted to \$22.7 million which was \$.3 million less than the actual revenue for 1953. Customs revenue showed an increase of about \$.1 million over the revenue collected during 1953. Forest revenue also showed an increase and the main reason for the reduction of \$.3 million in the total revenue when compared with 1953 was that the 1953 revenue included fairly substantial arrears of Income Tax which were settled during that year.

The revised estimate of Recurrent Expenditure during the year amounted to \$15.9 million, as compared with \$13.8 million in 1953, while expenditure on reconstruction and development (excluding loan expenditure and expenditure under Colonial Development and Welfare Schemes) amounted to \$16.0 million compared with \$11.3 million in 1953. The excess of normal

revenue over recurrent expenditure amounting to \$6.8 million was available as a contribution towards the cost of reconstruction and development and of items of Special Expenditure amounting to \$1.6 million. After taking into account the accumulated balances available at 1st January, 1954, the credit to be transferred from loan funds in respect of compensation paid to the British Borneo Timber Company, Limited, and the transfer to be made from a part of the proceeds of the sales of Japanese assets to meet the cost of War Damage Compensation and construction of playing fields, etc., there was an estimated deficit of \$2.7 million which was met by a grant-in-aid from Her Majesty's Government. The revised estimated expenditure under Colonial Development and Welfare Schemes amounted to \$4.6 million.

A loan totalling £750,000 was floated for the purpose of financing the development of electricity, water supplies and telephonic communications and of reimbursing general revenues in respect of compensation paid for the relinquishment of exclusive timber rights.

Further War Damage claims were settled and a total of \$8.7 million has now been paid. 480 restoration awards amounting to \$1.7 million remain outstanding, but payment in the great majority of these cases awaits rebuilding by property owners in accordance with the town plans.

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Although for the last two years the Colony has had an unfavourable trade balance, a favourable trade balance was restored in 1954. It amounted to \$2.9 million as compared with the adverse balance of \$9.7 million in 1953. Imports for the year totalled \$74.3 million (\$70.0 million in 1953) as against exports, including re-exports, of \$77.2 million (\$60.3 million in 1953). Although there was a marked movement upwards towards the end of the year, the average price of rubber for 1954 was approximately the same as in 1953. Exports of rubber rose from 16,800 tons in 1953 valued at \$23.4 million to 17,100 tons valued at \$24.0 million. More notable was the rise in the exports of copra and timber in spite of marked decreases in the prices of both these commodities. Copra exports (including re-exports) amounted to 26,600 tons valued at \$13.8 million, as compared with 15,300 tons valued at \$8.7 million in 1953. Timber exports rose by

over 100% from 5.2 million cubic feet (log and sawn) valued at \$12.3 million in 1953 to 10.5 million cubic feet (log and sawn) valued at \$17.4 million. Japan trebled her 1953 imports of timber from the Colony and took 36% of the total. The Australian and Hongkong markets were also expanded. The single big decline in exports was in the firewood trade to Hongkong, which fell by over 50% in quantity and by almost 50% in value. Exports of tobacco by contrast went up by 137% and the market price by 138%.

The increase in timber exports and a rise of over $4\frac{1}{2}$ million cubic feet in total timber production lends support to the belief that it is principally in the timber resources of the Colony that there lies the best means of an early advance towards a more balanced economy. It was this belief that led the Government in 1952 to terminate by negotiation the timber monopoly granted by the British North Borneo (Chartered) Company to the British Borneo Timber Co., Ltd., three years before the earliest date upon which it would otherwise have been terminable.

The emphasis on timber, and to a lesser extent on hemp, which is being grown on an increasing scale on the East Coast does not mean that the Colony can afford to neglect rubber. Costs of production, as reflected in current wage rates, are now nearly twice those prevailing in 1949, so that it is no longer economic to tap where yields are low. As by far the greater proportion of the rubber in the country is over 20 years of age, and of 120,400 acres, it is estimated that less than 10% is planted with high-yielding material, the need for an early and vigorous planting and replanting programme is self-evident and during the year the Rubber Fund Board, which is representative of all planting interests in the Colony devoted much time to the devising of a scheme to facilitate rubber planting and replanting. The scheme will be financed by a cess on rubber exported, imposed under the Rubber Industry Replanting Fund Ordinance, which was enacted in November. On the recommendation of the Rubber Fund Board, this Ordinance came into force on 1st January, 1955, and a cess of two cents a pound on all rubber exported was imposed as from 1st April, 1955. The burden of the cess is being offset by a reduction of at least two cents on the rubber export duty under a modified export duty formula.

The 1953/54 padi harvest was another record, and is estimated to have yielded over 31,000 tons of milled rice. This is reflected in the reduced imports of rice which fell from 10,400 tons in 1953 to 7,900 tons. A committee was appointed during the year to review arrangements for the procurement, storage and distribution of rice. As a result of its recommendations, it was decided that rice should revert to commercial procurement as from 1st January, 1955, subject to satisfactory arrangements being made for the maintenance of an adequate rice and padi reserve. To this end registered importers of rice and licensed dealers in padi under the new arrangements must guarantee to maintain minimum stocks up to the quotas allocated them. The Padi Purchase Scheme, under which Government had since 1949 purchased padi from the growers at a guaranteed price for storage, is being discontinued.

Controls over the milling of local padi and over the movement of local padi and rice, were removed in June; and in December all rationing and price control of the commodity ceased. At the close of the year the retail price of imported rice was \$2.00 a *gantang* (8 lbs.) as compared with the controlled price of \$2.40 a *gantang* at the end of 1953.

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The social services continued to expand. In the educational sphere there was an increase of 2,315 children attending school and the number of schools of all types rose from 827 to 856. It was reluctantly decided during the year, however, that the uncontrolled expansion of English secondary education could not be permitted until such time as there was an improvement in the teaching situation. An early improvement in the number and standard of primary teachers can be expected as more students complete the course at the Teachers Training College but the obtaining of qualified teachers for the more advanced secondary classes in the English schools remains a problem.

In the medical field, plans were made for a pilot scheme (which is being jointly sponsored by the Government, World Health Organisation and the United Nations International Children's Emergency Fund) for the control of malaria, to begin in 1955. The hospitals at Kudat and Tawau were provided with X-ray rooms and equipment and plans were prepared for the construction of special tuberculosis wards at a number of centres. In

the fight against tuberculosis, great service was rendered by the North Borneo Anti-Tuberculosis Association. In Government hospitals and dispensaries there were further increases in the number of in-patients and out-patients treated. An improvement in the observance of public health measures can be expected when ten health inspectors, who are being trained by a Health Inspector Tutor made available by the Government of New Zealand under the Colombo Plan, complete their training early in 1955. Good progress was made with the planning of modern sanitation for the larger towns. This important task is being undertaken by two engineers provided through the generosity of the World Health Organisation.

Much excellent work was again done by the several Missions working in the Colony, and also by the voluntary Social Welfare Organisations, which include the War Victims Fund Board, the Leper Fund Committee, the Boy Scouts and Girl Guides, the Rotary Club of Jesselton, the local Branches of the British Red Cross and the St. John Ambulance & Brigade and (as already mentioned) the North Borneo Anti-Tuberculosis Association. An important step forward was the formation on a broad representative basis of a Social Welfare Council.

The functions of the council are:—

- (1) to co-ordinate the social welfare work of voluntary organisations *inter se* and of such organisations with that of Government;
- (2) to review the social welfare work being done in the Colony from time to time and to bring to the notice of Government any particular matters which it considers require attention, including the necessity for the development of social welfare work in any given direction;
- (3) to advise Government on particular issues connected with social welfare which may be referred to it by Government.

* * *

In the smaller stations the Government reconstruction programme, which includes a measure of development, can be said to be largely completed; but in the larger towns the task of replacing the temporary Government buildings, hurriedly erected after the war, is unlikely to be finished until 1956.

Progress can be recorded in the improvement of communications. A good start was made with a policy introduced during the year of converting existing bridle-paths into "jeepable tracks" and building new earth tracks at a relatively moderate cost in order rapidly to open up for development as many of the likely agricultural areas as possible. The internal air service started in 1953 as a joint venture of Malayan Airways and the Government has proved of great value, and in November it was extended into the State of Brunei. In response to the growing demand for air travel, the Malayan Airways Dakota service from Singapore was increased from five to six flights a week, and tourist seating on one of the mid-week flights was introduced.

Good progress was made with the urgent task of reconstructing the wharves and cargo transit sheds at the main ports, almost half the cost of which is being paid for by the Government of the United States of America through the agency of the Foreign Operations Administration. A 600-foot wharf at Labuan was completed, and ships of 10,000 tons can now come alongside. A start was made during the year with a programme to complete the reconstruction of the railway.

Public utilities were either improved or maintained. Further extensions were made to the telephone system, and at the end of the year the total number of telephones installed was 1,092 as compared with 965 in 1953 and 639 in 1951. Work began on new water supplies for Tawau and Tuaran, while in Jesselton the long awaited new power station was opened.

There was a growing demand for planting material from the Central Agricultural Station at Tuaran, where a wide selection of economic crops has been established for trial and distribution. Fruit trees and cocoa seedlings were particularly sought after. There was also a heavy demand for rubber planting material, and 141,552 clonal stumps and 3,697 yards of budwood were supplied by the Rubber Fund Board from its nurseries. The problems of padi growing continued to be investigated at the Inanam Padi Experimental Station and a new Hill Crop Experimental Station for fruit and vegetables was established at Ranau. The culture of fresh water fish, particularly in the Interior where this supplement to the diet is most needed, continued to expand at a most

satisfactory rate, and at the end of the year the number of ponds had reached 492. There were indications of an increasing appreciation of the work of the Veterinary section of the Agricultural Department on the part of livestock owners.

Drainage and irrigation schemes at Papar and Tuaran affecting in all over 12,000 acres, made good progress, and the reclamation of 2,500 acres of land suitable for agriculture in the Klias Peninsula, was completed. A pilot scheme which was started in 1953 to resettle 100 families (who had previously practised shifting cultivation) in an area at Keningau where they can adopt permanent forms of agriculture, has met with marked success and has encouraged the introduction of similar schemes elsewhere. A number of settlement schemes for Chinese agriculturists also progressed well. The importance of proper land utilisation is appreciated, and soil maps of areas believed to be potentially important for agricultural development are being prepared by two Government Soil Scientists. A considerable area was surveyed and mapped, during the year, and much valuable data obtained.

A full list of the Colonial Development and Welfare Schemes, which have been completed and which are still in operation, may be found at Appendix I. During the year the following new schemes were prepared and received approval:—

		Total Grant
<i>North Borneo Allocation</i>		
D.2116 — Pilot Project for Improvement of Live-stock at Keningau	\$	23,125
D.2128 — Removal of Trade School to Batu Tiga		120,000
D.2161 — Settlement of Hill Dusuns, Paginatan, Ranau District		12,675
D.2191 — Resettlement of Hill Natives, Labuk District		18,550
D.2198 — Mechanisation of Trade Statistics		86,768
D.2209 &		
D.2209A—Reclamation North of Jesselton Wharf		416,993
D.2305 — Improvement of Public Works Department Workshops		355,950
D.2344 — Appointment of Ecologist		33,853
D.2352 — W.H.O. Malaria Control		84,044
TOTAL ...		\$1,151,958

The very considerable assistance which the Colony continued to receive in finance, in technical advice and in the form of supplies of much wanted equipment both from Her Majesty's Government and from other sources (notably from the Governments of Australia and New Zealand under the Colombo Plan, from the Government of the United States through its Foreign Operations Administration, and from the World Health Organisation and the United Nations International Children's Emergency Fund) is gratefully acknowledged. Without it the tempo of development and advancement of social services would inevitably have been much slower.

PART TWO

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Kennington has been an invaluable guide in the development of agriculture, has met with marked success and has encouraged the introduction of similar schemes elsewhere. A number of settlement schemes for Chinese agriculturists also progressed well. The importance of proper land utilisation is appreciated and soil maps of areas believed to be potentially important for agricultural development are being prepared by two Government Soil Scientists. A considerable area was surveyed and mapped during the year, and much valuable data obtained.

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North Borneo Allocation		Total Grant
15,716	Pilot Project for Improvement of Livestock at Kennington	5,23,125
15,173	Removal of Trade School to Batu Tiga	120,000
15,161	Settlement of Hill Dwarves, Poginatan, Ranau District	12,675
15,191	Resettlement of Hill Natives, Labuk District	18,550
15,198	Mechanisation of Trade Statistics	86,768
15,727 & 15,728	Reclamation North of Jesselton Wharf	416,993
15,735	Improvement of Public Works Department Workshops	355,850
15,744	Appointment of Ecologist	33,853
15,752	W.H.O. Malaria Control	84,044
Total		\$1,451,958

Population

PART TWO

THE full report of the 1951 census of population was published in 1953. The report shows that since 1931, the year in which the previous census was held, the total population of the Colony increased by 20.4 per cent from 277,476 to 334,141 and the native population by 18.4 per cent from 152,218 to 243,009. The Chinese population increased by 48.6 per cent from 50,056 to 74,374. The number of Europeans, including Eurasians, increased from 647 to 1,213.

The density of population was 11.4 persons per square mile. Nearly one half of the population lives in the West Coast Residency, where the density was thirty-one persons per square mile. The low density of 5.6 persons per square mile in the East Coast Residency is indicative of the large areas there of jungle and swamp.

The census figures generally have shown that since 1931 there has been a considerable movement of population from the Interior, where owing to inaccessibility there has been little commercial enterprise, to the coast, where paid employment is obtainable and where markets for agricultural produce are more accessible.

Among the native peoples, the Dusuns showed an increase of only 6.7 per cent from 110,483 to 117,867. This community is the most important native community in the Colony, inhabiting chiefly the West Coast and the plains of Tambunan and Ranau in the Interior. They are a prosperous agricultural people and are the chief rice producers in the country, forming the most stable element in the rural population. It is a little difficult to understand the small rate of increase shown by this people. It can only be

Population

THE full report of the 1951 census of population was published in 1953. The report shows that since 1931, the year in which the previous census was held, the total population of the Colony increased by 20.4 per cent from 277,476 to 334,141 and the native population by 18.4 per cent from 205,218 to 243,009. The Chinese population increased by 48.6 per cent from 50,056 to 74,374. The number of Europeans, including Eurasians, increased from 647 to 1,213.

The density of population was 11.4 persons per square mile. Nearly one half of the population lives in the West Coast Residency, where the density was thirty-one persons per square mile. The low density of 5.6 persons per square mile in the East Coast Residency is indicative of the large areas there of jungle and swamp.

The census figures generally have shown that since 1931 there has been a considerable movement of population from the Interior, where owing to inaccessibility there has been little commercial enterprise, to the coast, where paid employment is obtainable and where markets for agricultural produce are more accessible.

Among the native peoples, the Dusuns showed an increase of only 6.7 per cent from 110,483 to 117,867. This community is the most important native community in the Colony, inhabiting chiefly the West Coast and the plains of Tambunan and Ranau in the Interior. They are a prosperous agricultural people and are the chief rice producers in the country, forming the most stable element in the rural population. It is a little difficult to understand the small rate of increase shown by this people. It can only be

suggested that some have declared themselves as belonging to other communities—a view encouraged by the large increase of 70.5 per cent shown under the heading “Other Indigenous”. It should be explained that Dusun is mainly a generic name given by others to a collection of various tribes having a common tongue and common customs and that the name Dusun is not ordinarily used by these tribes themselves.

The Bajaus, a Muslim people, generally sea-faring, and found mainly on the East Coast, increased from 34,099 to 44,728, an increase of 31.2 per cent. It is possible that some of this increase may be due to immigration from the neighbouring Philippine Islands, though an effort was made in the census to distinguish between native born and foreign born Bajaus. The Bajaus, together with and including the Illanuns, Suluks, Obians, Binadans and kindred tribes are the descendants of the notorious pirates who terrorised these waters until well into the nineteenth century. Now their energies are chiefly confined to fishing. A large land community of Bajaus in the Kota Belud District has taken to padi planting on a considerable scale.

Among the other indigenous communities the most important are the Bruneis and Kedayans who amounted to 22,312 persons as against 13,644 in 1931. The Bruneis are Muslims and racially are Malayan-Javanese. They are seafarers and fishermen generally, inhabiting the West Coast fringe from Brunei Bay to Jesselton. The Kedayans, also Muslims, are agriculturists, probably of Sumatran or Javanese origin, who have spread out from Brunei.

The Muruts, unfortunately, continued to decline and showed a decrease of 23.4 per cent from 24,444 to 18,724, though here again part of the explanation may be that some Muruts have declared themselves as belonging to other communities. The Muruts, generally speaking, inhabit the upper reaches of the Padas River and the mountainous inaccessible country near the Indonesian and Sarawak borders. They were the last to abandon the practice of head-hunting, but they have not yet adopted a system of settled agriculture. Instead, they follow the age-long practice of shifting cultivation, using what is usually a seven-year cycle. By this means they ensure a supply of their staple diet of tapioca and hill padi as well as a potent home-brewed rice

liquor known by the name of *tapai*. They are great hunters, using spears, blow-pipes with poisoned darts, and dogs. The chief form of game is wild pig, which is plentiful in the jungles of North Borneo. For ready cash they rely on the collection of jungle produce, and on occasional periods of work as tappers and weeders on the rubber estates in the Tenom Valley. They are primitive in their habits and living conditions and particularly susceptible to disease.

A comparison of the increase in native population since 1931, 18.4 per cent, with the increase of 4.14 per cent between 1921 and 1931, suggests that the gradually improved medical and social services since 1931, together with the general economic prosperity, always excluding the years of the Japanese occupation, have had a beneficial effect on the health and fertility of the native peoples as a whole, although there is still room for considerable improvement. The movement to the coast from the Interior referred to above, is a native movement.

There are several factors to consider in accounting for the increase of 24,318 persons or 48.6 per cent among the Chinese community, the largest immigrant race in the Colony. It is known that the natural rate of increase of Chinese is higher than among native peoples, while immigration of Chinese during the period 1931-1951 is estimated at approximately 20,000. On the other hand the Chinese community is thought to have suffered proportionately more than other communities during the Japanese occupation from violence, disease, starvation and loss of fertility. It is interesting to note that of the 74,374 Chinese in the Colony, 48,862 were born in North Borneo and 5,583 elsewhere in the Commonwealth. Most of these 54,445 Chinese are now British subjects. It is of further interest to note that the sex ratio among Chinese has improved from 64 males to 36 females in 1931 to 56 males to 44 females in 1951.

The Chinese, while many are engaged in agriculture and commerce, supply most of the artisans for local industries. Many are smallholders producing rubber, rice, coconuts, fruits and vegetables, and rearing pigs. The majority of them are Hakka, who provide many of the clerks and subordinate technicians employed by Government Departments and commercial firms. The business

and shop-keeping community, particularly in the Sandakan area, are mostly Cantonese, who have long-established connections with Hong Kong and China, while in the West Coast towns they are Hokkien and tend to look for their trade towards Singapore.

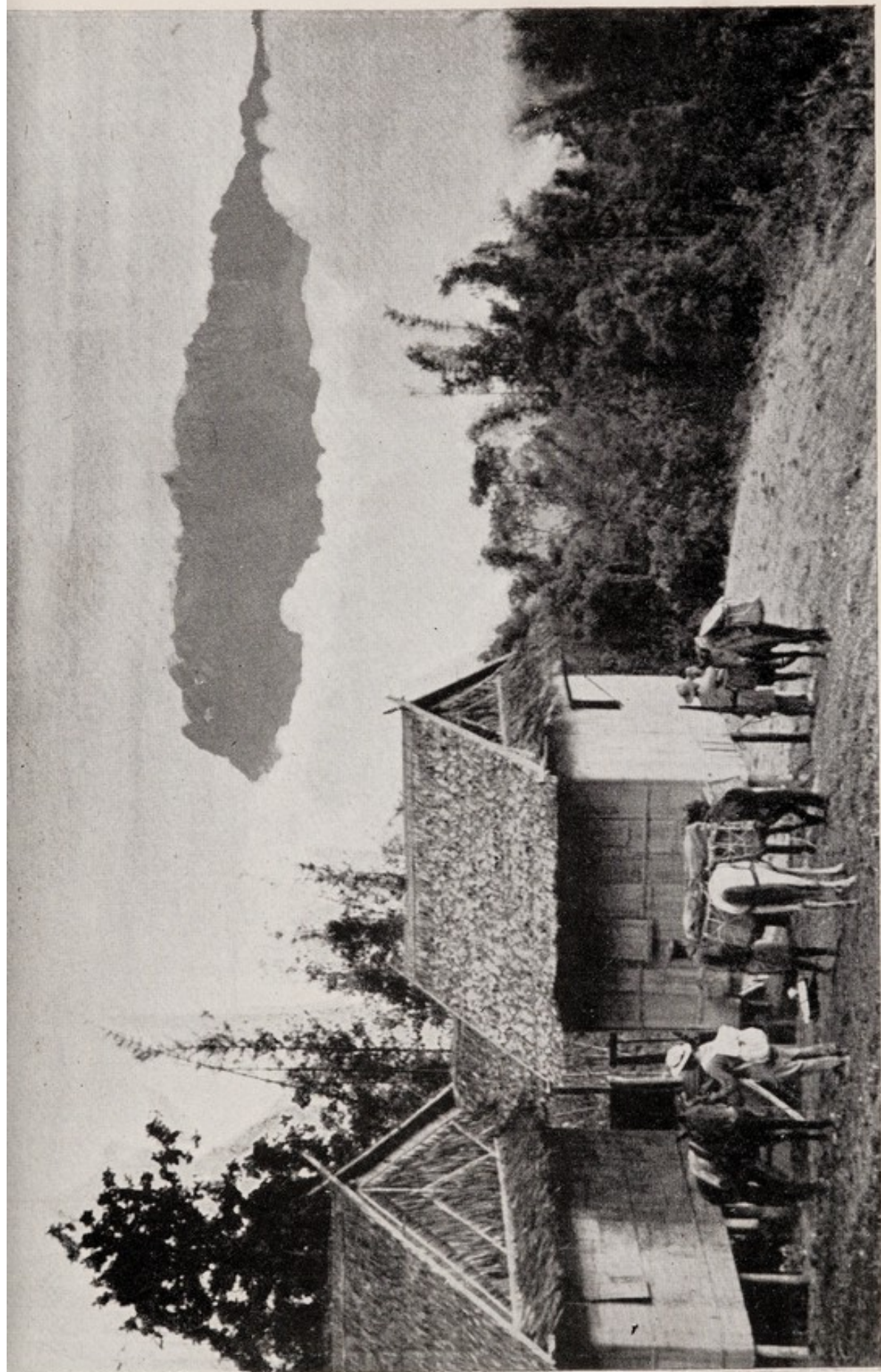
The European community, while numerically small, is economically very powerful. In general they are employed by the larger commercial concerns and plantation companies with headquarters in the United Kingdom and by Government. They are the biggest employers of labour and are responsible for a large portion of the Colony's export trade.

Those listed under "Others" comprise natives of Sarawak, Malaya, Indonesia, India, Pakistan, Ceylon, the Philippines, etc. Natives of Sarawak, Malaya and Indonesia find no difficulty in becoming quickly assimilated with the indigenous population to whom they are akin in outlook and upbringing. Amongst the Indonesians are many who came to the country in the twenties and thirties as estate labourers and who have chosen to settle here; some are more recent immigrants from Indonesian Borneo looking for work; some are the remainder of those brought by the Japanese for forced labour during the occupation who refused the opportunity of repatriation after the war.

Many of the Indians, Pakistanis and Ceylonese are artisans, technicians and traders. Some of the Indians and Pakistanis were originally employed in the Constabulary and have acquired land and settled down, some becoming dairy farmers in the vicinity of the principal towns.

Only some 45,000 persons live in urban areas. The main towns of the Colony are Sandakan (population 14,499), Jesselton (11,704), Tawau (4,282), Victoria, Labuan (2,526), Kudat (1,895), Papar (1,772) and Beaufort (1,576).

The great majority of the Dusun and Murut peoples are pagans while an equally large proportion of the coastal communities are Muslims. The Chinese non-Christian population generally adheres to Confucian ethics mixed with Buddhist beliefs. Roman Catholic Church of England, Lutheran and other missions, both Pastoral and Evangelical, are active in the Colony. A total of 29,092 persons declared themselves as Christians in the 1951 census.



Summit of Mount Kinabalu (13,455 feet) from Randagang — Ranau District

(J. E. Longfield)



Kedayan Fisherman — Sipitang District.

(J. E. Longfield)

It will be seen, therefore, that the Colony's population although small, is made up of a diversity of races speaking a variety of different languages. It is for this reason that Malay has become the *lingua franca* of the country and is spoken by the majority of its inhabitants.

The estimated population on the 31st December, 1954 was:—

Indigenous	255,193
Chinese	85,365
European (including Eurasian)	1,688
Others	25,507
TOTAL	367,753

A summary of registered births and deaths during the period 1st January, 1954, to 31st December, 1954, shows:—

	Births	Deaths
Indigenous	6,930	3,073
Chinese	4,442	624
European (including Eurasian)	40	3
Others	703	218
TOTAL	12,115	3,918

The following is a summary of arrivals and departures through the ports of the Colony during the period January to December, 1954:—

	Arrivals	Departures
Indigenous	1,322	1,681
Chinese	5,082	6,126
European (including Eurasian)	1,681	1,681
Others	4,091	3,744
TOTAL	12,176	13,232

The excess of departures over arrivals was 1,056. This compares with excess of arrivals over departures in 1951, 1952 and 1953 of 3,079, 3,805 and 1,464 respectively. There was again a decrease in the number of artisans and semi-skilled workers entering the Colony to take up employment with building contractors, while the departure of locally-born Chinese and Natives to the Brunei oilfields was more noticeable than in the previous year.

The analysis of places of birth is a matter of much interest in North Borneo with its peoples of varied races and creeds and with an immigrant population comprising more than one-quarter of the total. The full Report of the 1951 Census has revealed that only 36,369 persons, or slightly under 11 per cent of the population, were born outside the country—an encouraging indication of the permanence of settlement of the immigrant peoples. All but 2,065 of the indigenous community were born in North Borneo, and of that number most were born in the territories with contiguous land borders—i.e., South Borneo, Sarawak and Brunei. Of the largest immigrant community, the Chinese, 48,862 out of 74,374, or 66 per cent, were born in North Borneo; most of the remainder were born in China, and 4,000 odd were born in Hong Kong. Further analysis of birth-place statistics confirmed the already well known past and current trend of migration from the interior districts to the industrial and plantation areas bordering or close to the coast.

Occupation, Wages and Labour Organisation

THE industrial structure of North Borneo is undeveloped and simple, a considerable majority of the population being engaged in homestead farming. Superimposed on this basis are the established estate, timber and firewood industries. Next there are the small processing industries serving the elementary needs of the rubber estates and timber companies; and finally there is the multiplicity of services demanded by a growing and fairly prosperous community—e.g. building, transport and commerce. The total number of persons gainfully employed (excluding housewives and all persons of less than 15 years of age) was shown by the 1951 census to be 140,629, made up as follows:—

Producers of raw materials	...	...	119,639
Manufacturing	...	...	3,164
Transport and Communications	...	...	2,345
Commerce	...	...	6,037
Public services and professions	...	...	5,099
Personal and paid domestic services	...	...	4,345

Of the 119,639 persons engaged in the production of raw materials 82,998 were engaged in agriculture and 23,331 in the cultivation and production of rubber.

The census also showed that a large preponderance of both the Dusun and Murut communities was engaged in homestead agriculture, with a minor proportion entering the rubber industry and small numbers joining the Police Force. Less than a half of the Bajau and *Other Indigenous* communities were engaged in agriculture, these races taking an active part in the timber, rubber, coconut, mangrove-working, boat-building and fishing industries.

The increased interest of the indigenous people in wage-earning employment has been one of the more significant post-war trends and they at present constitute 57.7 per cent of the labour force of the Colony. This proportion has remained very constant for the last three years despite accretions to the labour force of workers entering temporarily from outside the Colony. During 1954, however, for the first time since the war, there were appreciable decreases in the total labour force of the Colony. The causes of these decreases are not yet fully clear nor is it certain whether or not they constitute a temporary movement. Estates and plantations remain the largest employers of labour, but the labour force employed in industry (including timber production) has increased in proportion to labour employed elsewhere.

A start has been made on the process of weaning hill-dwelling natives from shifting cultivation to a more permanent form of agriculture in the low-lands, where they can also take up wage-earning employment on estates when not engaged in padi-production, and where the provision to them of social services will be facilitated.

The process must be a gradual one, and the present policy is to ensure, as far as possible, the success of a modest pilot settlement, and thereby, it is hoped, encourage other hill natives by a practical example of what can be achieved to move to more accessible areas.

The Chinese population is mainly engaged in commerce, rubber production, agriculture and other industries. In commerce, crafts and artisan employment the Chinese community is predominant.

Immigrant Labour

The demand for artisans and semi-skilled workers for building construction has remained steady during 1954. Government has continued to permit the temporary entry of skilled and semi-skilled workers from Hongkong and Singapore for employment with firms of established Singapore and Hongkong Construction engineers and contractors who have opened branches principally in Jesselton and Sandakan for the purpose of undertaking the larger Government and private contracts which are available as town planning and post-war rebuilding proceeds throughout the Colony.

The position has now been reached where there is a constant turn-over of these workers, the numbers in employment in the Colony at any one time being about 1,000. There has been an increase in the demand for skilled technicians to operate and maintain mechanical equipment, both by Government and by commercial concerns; and, pending the training of local personnel, these needs are also being met by temporary engagement, principally from Hongkong.

Negotiations took place during the year with the Government of the Republic of the Philippines to facilitate recruitment from Luzon of workers and settlers for the Colony. These negotiations proceeded favourably, the Government of the Republic of the Philippines expressing agreement in principle, and at the end of the year the arrival was awaited of a Delegation from that Government to examine on the spot conditions of life and labour in North Borneo.

Wages and Earnings

There is now little variation in wages and earnings between different districts within the Colony. Such differences as remain are largely the result of different local costs of living. Most agricultural work and much industrial work is performed on piece rates. There have been no general wage increases during 1954. There has been some reduction of wage rates locally and the earnings of workers in the rubber industry have followed fluctuations in the world price of rubber. There have been no considerable fluctuations in wages paid to skilled workers which continue to be comparatively high. It may be said that at the present time unskilled workers earn up to \$3.50 per day; semi-skilled workers from \$3.50 to \$7.00 per day and skilled workers from \$7.00 to \$12.00 per day.

Hours of work are eight hours a day for six days a week, but in many cases shorter hours are worked. Various holidays are prescribed.

Cost of Living

The cost of living index, which is based on the cost of certain basic commodities consumed by all sections of the community, remained comparatively steady during 1954 and, despite fluctuations in commodity prices, it stayed (largely owing to a fall in

the price of both imported and locally grown rice) below the peak reached in 1951. In the latter part of the year those whose diet consists largely of imported foodstuffs experienced a sharp rise in the price of several commodities.

Figures for an average monthly budget for workers of various races in the Colony collected by the Labour Department show the following:—

Workers Monthly Budget				% Increase Decrease	
				1953—1954	
				1952	1953
				1954	
<i>Natives</i>					
Foodstuffs	...	...	31.64	29.70	30.29
Clothing and bedding	...	...	5.07	5.29	5.20
Miscellaneous	...	...	11.00	11.02	13.48
Total:			47.71	46.01	48.97
<i>Chinese</i>					
Foodstuffs	...	...	37.00	35.75	34.62
Clothing and bedding	...	...	4.68	6.63	5.95
Miscellaneous	...	...	11.80	11.60	11.96
Total:			53.48	53.98	52.53
<i>Other Immigrant Workers</i>					
Foodstuffs	...	...	25.88	25.80	24.85
Clothing and bedding	...	...	6.08	7.11	7.20
Miscellaneous	...	...	9.49	9.50	9.36
Total:			41.45	42.41	41.41

A retail price index giving the mid-year and end of year prices of certain basic foodstuffs is given below:—

	1953		1954	
	June	December	June	December
2 gantangs rice	\$ 4.80	\$ 4.80	\$ 4.48	\$ 4.00
1 kati flour	0.30	0.30	0.30	0.30
1 kati fats	1.80	1.80	1.80	1.85
1 kati white sugar	0.38	0.32	0.30	0.30
1 kati meat	1.36	1.37	1.47	1.63
3 katis fish	4.50	4.50	3.60	3.69
2 14-oz. tins of milk	1.40	1.40	1.40	1.40
6 eggs	1.26	1.20	1.14	1.20
5 katis vegetables	1.83	1.42	2.13	2.20
2 ounces tea	0.48	0.48	0.47	0.55
½ kati coffee beans	0.60	0.60	0.74	0.65
TOTAL	\$18.71	\$18.19	\$17.83	\$17.77
LOCAL INDEX	142	138	135	134

Labour Department

A reorganisation of the Department was carried out with effect from the beginning of the year with the intention of transferring the Department's Immigration duties to the Police Department and of placing increased responsibility for Social Welfare Affairs upon the Department, which was re-named the Department of Labour and Welfare. The Department now consists of the Commissioner assisted by one Administrative Officer, on the East Coast and an establishment of one Chinese Assistant Officer, one Labour Officer, three Labour Inspectors and ten other staff. Owing to staffing difficulties in the Police Department, the work of the Immigration Department continued throughout the year to be carried on by the Department of Labour and Welfare. Two offices were maintained, the headquarters office in Jesselton and an office serving the East Coast in Sandakan. Regular inspections of places of employment are carried out by officers of the Department. No employment exchanges at present exist.

General

Housing conditions at places of employment continue to improve, although in many cases, particularly in the rubber industry, housing programmes have had to be curtailed as a result of shortage of funds resulting from the fall in the price of the commodity produced. The Labour Department's campaign continues to receive the support and co-operation of employers who generally show a sincere interest in the health and welfare of their workers. Conditions of employment throughout the Colony, with but a few exceptions, are satisfactory and in several cases outstandingly good. The progress previously reported in the jungle camps of the timber and firewood industries continues and this is particularly satisfactory in view of the difficulties of erecting such camps and of their short life. The prevailing shortage of labour which has been a feature of the Colony since the war, and which has helped to maintain good wages and conditions of work, continues but has been less marked during the year, and some local surpluses of labour are now appearing.

Industrial Relations

During the year there was no marked change in the state of trade unionism, which is still in its infancy in the Colony. There were slightly more trade disputes, but none of them was of sufficient size or moment to attract public attention. Because of illiteracy among the majority of workers, the comparatively small extent of wage-earning employment, and the absence of competitive economic incentives which characterise more highly industrialised communities, the organisation of labour in this country on modern trade union lines is likely to be slow. Nevertheless the fostering of responsible trade unionism is the policy of Government as being the best long-term means of ensuring industrial peace and mitigating the effects of changes which are inseparable from industrialisation when it comes. The Commissioner of Labour and Welfare is the Registrar of Trade Unions for the Colony and contact is maintained with the Trade Union Adviser in Kuala Lumpur, Federation of Malaya. Three trade unions have so far been registered with a total membership of about 500 workers. No new unions were registered during the year. None of these organisations has any affiliations with any metropolitan or international organisations.

Industrial relations between employers and workers have continued to be generally very satisfactory throughout the year.

Labour Legislation

No new legislation particularly affecting labour was passed during 1953.

Safety, Health and Welfare

The provision of certain standards of housing, health and safety is required by the Labour Department under the Labour Ordinance, and in addition there are provisions in the Machinery Ordinance governing the safety of workers. At most large places of employment additional welfare activities are carried out by the management.

The Department of Labour is responsible for the administration of the Workmen's Compensation Ordinance, 1950. 308 accidents were reported in 1954 and in 191 of these cases compensation amounting to \$74,786 was claimed and paid. Increasing attention

is being given both by the Labour Department and by employers to improvement of standards of safety in working and to the re-employment and rehabilitation of injured workers.

Poor law administration in the Colony is also a responsibility of the Department of Labour and Welfare. Details of the public assistance provided are given on page 92.

International Labour Conventions

The position in the Colony in relation to International Labour Conventions which have been accepted by Her Majesty's Government has been set out at length in previous reports. There have been no significant changes during the year 1954, and these Conventions have been applied in North Borneo as follows:—

(a) Without modification:

17 Conventions.

(b) With modifications:

10 Conventions.

(c) Inapplicable owing to local conditions:

9 Conventions.

(d) Decision reserved pending the enactment of legislation:

10 Conventions.

Reports on the application of International Labour Conventions have been submitted to the International Labour Office as usual.

Industrial Training

Vocational training and apprenticeship continue to engage attention as the best long-term means of increasing the productivity of the Colony's man-power. Several employers follow a policy of training workers within their employment, though there is little formal apprenticeship. Such training schemes are in some cases of considerable value. Vocational training was continued in the Government Trade School, which is described on page 74.

Labour Advisory Board

The tripartite Labour Advisory Board containing equal representation of Government, employers and workers met twice during the year to consider proposed legislation and to advise Government generally on labour proposals and policy.

Public Finance and Taxation

PUBLIC FINANCE

AT the time of compiling this report the Colony's accounts for 1954 had not been finally closed. The figures for 1954 represent the latest revised estimates.

In 1954, normal revenue was in excess of recurrent expenditure by \$6,845,000. This sum was, therefore, available as a contribution towards the cost of items of Special Expenditure amounting to \$1,632,000 and expenditure on reconstruction and development which totalled \$19,086,000. The resultant deficit of \$13,873,000 was covered by—

	\$
Surplus carried forward from 1953 ...	4,236,000
Grants under Colonial Development and Welfare Acts ...	4,664,000
Grant-in-aid of Reconstruction ...	2,700,000
Appropriations from the proceeds of realisation of ex-Japanese assets ...	925,000
Reimbursement from Loan funds ...	3,375,000
Contribution from United States under Foreign Operations Administration ...	950,000
	<hr/>
	16,850,000

leaving a surplus of just under \$3,000,000 to be carried forward to 1955.

Revenue and Expenditure

The following table gives the comparative figures of revenue and expenditure for the years 1952, 1953 and 1954 in millions of dollars:—

REVENUE					1952	1953	1954
Ordinary	...	...	...	...	23.4	23.0	22.7
Special	...	...	...	...	3.2	7.2	12.6
					—	—	—
					26.6	30.2	35.3
					—	—	—

EXPENDITURE

VOLUME I

Personal Emoluments	...	...	6.9	7.5	8.0
Other Charges Annually Recurrent	...	...	7.1	6.3	7.9
Special and Non-Recurrent	...	...	1.0	1.8	1.6

VOLUME II

Reconstruction and Development (Colony account)	...	...	16.0	9.5	14.4
Colonial Development & Welfare Schemes			3.3	3.0	4.6
			—	—	—
			34.3	28.1	36.5
			—	—	—

NOTES:

- (1) Reconstruction and Development expenditure (Colony account) includes the following ex-gratia war damage compensation payments which were financed partly by grants-in-aid from Her Majesty's Government and partly by the proceeds from the realisation of ex-Japanese assets:—

1952	...	...	...	...	\$1.6m.
1953	...	...	...	...	.4m.
1954	...	...	...	...	.6m.

- (2) Reconstruction and Development expenditure (Colony account) for 1952 included a sum of \$3.4m. in respect of compensation paid to the British Borneo Timber Company, Limited, for the termination of their timber monopoly. This sum has now been debited to Loan account and reimbursed to special revenue in 1954.

Details of Revenue

The principal revenue items were as follows, in millions of dollars:—

ORDINARY REVENUE				1952	1953	1954
Customs	...	...	...	12.0	11.3	11.4
Lands	...	...	...	.7	.7	.7
Posts	...	...	...	.4	.5	.5
Telegraphs	...	...	...	.4	.4	.4
Forests	...	...	...	1.0	1.1	1.5
Licences and Internal Revenue	...	...	...	4.8	5.8	4.0
Fees and Municipal	...	...	...	1.0	1.0	.9
Other items	...	...	...	3.1	2.2	3.3
				23.4	23.0	22.7
SPECIAL REVENUE						
Contribution from proceeds of realisation of former Japanese assets — War Damage Compensation	...	...	...	—	2.4	.6
Contribution from United States Foreign Operations Administration towards cost of reconstruction of wharves	...	...	...	—	.3	.9
Colonial Development & Welfare Grants	...	...	...	3.2	3.0	4.7
Contribution from proceeds of realisation of former Japanese assets—provision and improvement of playing fields, youth centres, etc.	...	...	...	—	—	.3
Reimbursement from loan funds in respect of compensation paid on relinquishment of timber rights	...	...	...	—	—	3.4
Grant-in-aid of reconstruction	...	...	...	—	1.5	2.7
				26.6	30.2	35.3

NOTE:—Contribution from proceeds of realisation of former Japanese Assets—War Damage Compensation 1953 includes reimbursement of expenditure for 1953 and previous years.

Public Debt

Under the provisions of the Loans Ordinances, 1953 and 1954, a loan totalling £750,000 was floated early in 1954. The Legislative Council has approved by resolution allocations totalling some \$6,144,000, which can be analysed (to the nearest thousand dollars) as follows:—

Compensation to British Borneo Timber Company, Limited, for relinquishment of exclusive rights	...	...	...	...	\$3,375,000
Water Supplies	...	...	...	...	1,394,000
Electricity Supplies	...	...	...	...	1,218,000
Telephone Development	...	...	...	...	141,000
Charges on raising loan	...	...	...	...	16,000
					<hr/>
					\$6,144,000
					<hr/>

A small balance of the loan still remains unallocated.

Assets and Liabilities

A statement of the Colony's Assets and Liabilities as at 31st December, 1953, is shown in Appendix III.

TAXATION

Customs Tariff

The principal Import Duties are those levied on Arms and Ammunition, Wines, Spirits, Tobacco, Fireworks, Cutlery, Explosives, Machinery, Petroleum, Lubricating oils, Kerosene, Patent and Proprietary medicines, Perfumery and Cosmetics, Photographic and Cinematographic equipment and materials, Rice, Sugar, Tea, Condensed milk, Milk powder, Confectionary, Butter, Motor vehicles and accessories and Textiles. Provision is made in the tariff for a preferential rate for certain types of goods of Commonwealth origin. Items not covered by the Free

Imports List and not specifically mentioned in the Import Tariff are all subject to an ad valorem duty of 10%. The Export Tariff provides for duties on Agricultural and Forest produce, Livestock and Animals, Mineral produce, Sea produce and Timber. Similarly, where specific mention is not made of any particular export either in the Tariff or in the Free List, an ad valorem duty of 5% is charged. The Transit Tariff covers Coal and Timber only. The Free Imports List includes (subject to certain conditions) goods imported from Sarawak or Brunei on which import duty has been paid in either Sarawak or Brunei; Building materials, Fish (fresh and frozen), Livestock, Jewellery, Meat, Medical preparations, Educational supplies and a number of other items. The Free Exports List includes (inter alia) any articles, animals or goods, which have previously been imported into the Colony; Gambier and Pepper and certain other articles as approved by the Conservator of Forests and Commissioner of Customs.

Stamp Duties

Stamp Duties are imposed on all documents required to be stamped under the provisions of the Stamp Ordinance, 1951. The documents which require stamping represent a wide range of commercial and legal documents and include Affidavits, Statutory Declarations, Appraisements, Articles of Association of a Company, Bills of Exchange, Bonds, Charges, Mortgages, Contract Notes, Debentures, Leases, Insurance Policies, Powers of Attorney, Receipts and Bank cheques. In all cases ordinary postage stamps are used.

Poll Tax

The Poll Tax Ordinance, 1902 (as amended) provides for the annual payment of \$1.50 by each able-bodied adult male native. Generally, persons who pay a total annual sum of \$3 or more by way of land rent and boat registration fees are exempted from the payment of Poll Tax. The estimated revenue yield from this source during 1954 was \$65,000.

Income Tax

Limited liability companies operating in the Colony are taxed on chargeable incomes accruing in, derived from or received in the Colony, at the rate of 30% up to the assessment year ended 31st December, 1954 inclusive, and thereafter at the rate of 40%. Double Taxation Agreements, providing for relief, where applicable, in one territory in respect of income tax paid in the other territory, are in force between the Colony on the one hand and the United Kingdom and Sweden on the other.

Residents Tax

The legislation provides for the levy of a tax on taxable incomes accruing in, derived from or received in the Colony at the following rates:—

Income of \$ 3,000 and under				Exempt
Exceeding \$ 3,000 but not exceeding \$	5,000			1%
" \$ 5,000	"	"	\$ 15,000	2%
" \$ 15,000	"	"	\$ 30,000	3%
" \$ 30,000	"	"	\$ 50,000	5%
" \$ 50,000	"	"	\$ 75,000	7½%
" \$ 75,000	"	"	\$100,000	10%
" \$100,000				12½%

Trade Licence Fees

Apart from ordinary forms of direct taxation, traders are required to take out annual licences and to pay the prescribed fees. The fees payable vary according to the nature of the business and range (in the principal towns) from an annual fee of \$1,000 for the business of a builder (employing more than 25 persons at any one time) to \$50.00 for the business of a shipper engaged only in the carriage coastwise of passengers or cargo. Fees are levied on a lower scale in rural areas and smaller towns.

Estate Duty

The rates of Estate Duty now in force are quoted in Appendix IV.

LOCAL AUTHORITIES

The revised estimates of revenue and expenditure of Local Authorities for 1954 were as follows:—

Labuan Rural Board

REVENUE

Rates and Public Utilities ...	58,500	
Vehicle Licences ...	20,000	
Licences—Miscellaneous ...	2,420	
Fees and Fines ...	2,410	
Miscellaneous ...	10,010	
Subvention from Government ...	35,370	128,710

EXPENDITURE

Administration—Recurrent ...	30,210	
Public Works Recurrent ...	84,500	
Special Expenditure ...	14,000	128,710

Kota Belud Local Authority

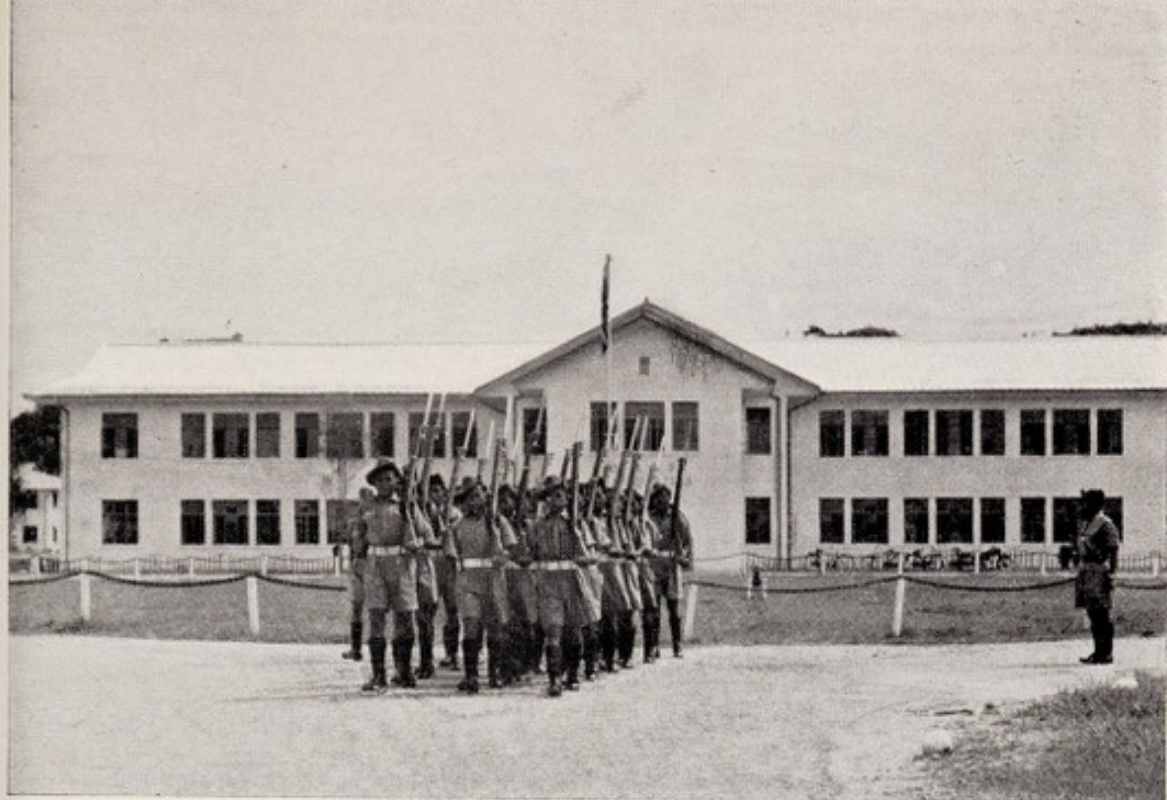
REVENUE

General ...	34,880	
Subvention from Government ...	23,580	58,460

EXPENDITURE

Administration—Recurrent ...	37,420	
Special Expenditure ...	14,000	51,420

Town Boards were established in Jesselton and Sandakan with effect from 1st July, 1954; but no useful figures of their revenue and expenditure for the last six months of the year can be compiled. Complete budgets will be available for 1955.



(Central Office of Information)

A platoon of the North Borneo Police Force at Headquarters, Jesselton.



(Central Office of Information)

Radio Instruction Class at the Central Police Depot,
Jesselton.



Harrowing by buffalo.

(Central Office of Information)

4

Currency and Banking

THE currency in circulation in North Borneo is Malayan currency, consisting of—

- (a) Currency notes issued by the Board of Commissioners of Currency, Malaya and British Borneo, dated not earlier than 1st July, 1941, in denominations of 1, 5, 10, 20 and 50 cents; and \$1, \$5, \$10, \$50, \$100, \$1,000 and \$10,000. Of the above, the notes of denominations of from one to 20 cents are being withdrawn from circulation as and when handed into treasuries, but they are still legal tender;
- (b) Cupro-nickel coin in denominations of 5, 10 and 20 cents;
- (c) Copper and bronze coins in denominations of one cent.

British North Borneo (Chartered) Company currency ceased to be legal tender as from 1st September, 1953, but when handed into banks or treasuries, it is still redeemable at its face value for Malayan currency.

The amount of currency estimated as being in circulation during 1954 is \$40,000,000.

The buying and selling rates of the Malayan dollar fluctuate slightly in accordance with the Singapore market, but for the purpose of converting Malayan dollars to sterling, the value of the dollar is taken as 2s. 4d. The following are useful conversion formulae:—

- (a) dollars a month $\times 7/5$ = pounds a year.
- (b) dollars into pounds: divide by 10 and add one-sixth to the resultant figure.
- (c) pounds into dollars: add a 0 and subtract one-seventh.
- (d) nine dollars = 1 guinea.
- (e) sixty dollars = £7.

Banking

There were two banks operating in North Borneo during the year, the Chartered Bank of India, Australia and China, and the Hong Kong and Shanghai Banking Corporation. Both have branches at Jesselton and Sandakan, and provide agency facilities at Labuan. The Hong Kong and Shanghai Bank also has a branch at Tawau and the Chartered Bank of India, Australia and China has an agency at Kudat. Both Banks provide Savings Bank facilities.

5

Commerce

General

THE value of domestic imports into the Colony, including goods imported into bond, exceeded the corresponding 1953 total by more than \$4 million; while the aggregate value together of domestic exports, exports from bond and re-exports, was \$17 million more than in the previous year.

Trade figures since 1938 in millions of dollars are given in the following table:—

Year	Imports \$(000.000)	Exports (including re-exports) \$(000.000)	Balance of Trade (+) (—)
1938	6.4	9.8	+ 3.4
1939	6.5	13.5	+ 7.0
1940	10.0	20.3	+ 10.3
1941-1946	Not available		
1947	20.5	17.0	- 3.5
1948	25.4	29.7	+ 4.3
1949	34.0	38.5	+ 4.5
1950	46.0	93.0	+ 47.0
1951	70.2	122.9	+ 52.7
1952	70.3	66.9	- 3.4
1953	70.0	60.3	- 9.7
1954*	74.3	77.2	+ 2.9

* In 1954 the compilation of trade statistics on the basis of the Standard International Trade Classification was commenced.

The favourable balance of visible merchandise trade exclusive of banking and investment credit transactions for the year showed an excess of \$2.9 million of exports over imports. Compared with 1953, timber exports rose by 100%, although the market

price actually declined by 31%. Tobacco exports increased by 137% and the market price by 138%. The price of rubber rose during the year from an average of £162 per ton in 1953 to an average of £163 per ton.

Imports and Exports

The following show the main imports and exports during the last five years:—

		MAIN IMPORTS				
		1950	1951	1952	1953	1954
Provisions	(000 tons)	9.8	13.0	11.1	13.5	11.7
	(Million \$)	6.0	10.6	9.5	10.0	9.3
Textiles and Apparel	—	—	—	—	—	—
	(Million \$)	6.8	9.3	4.7	4.5	5.0
Rice	(000 tons)	8.3	15.6	14.1	10.4	7.9
	(Million \$)	3.2	7.4	8.1	5.9	3.9
Tobacco, Cigars and Cigarettes	(000 lbs.)	539.1	720.7	702.4	650.7	770.4
	(Million \$)	2.6	3.8	4.5	4.0	4.6
Sugar	(000 tons)	5.6	6.7	5.7	5.0	6.3
	(Million \$)	2.7	3.7	2.9	2.2	2.7
Vehicles	(Nos.)	8,427	10,240	7,936	2,820	2,674
	(Million \$)	1.6	3.4	3.1	1.9	2.8
Metals	(000 tons)	1.1	5.4	6.0	5.2	5.9
	(Million \$)	1.9	4.6	5.3	4.5	5.3
Building Materials	(000 tons)	4.8	7.8	18.1	14.0	13.4
	(Million \$)	.4	1.3	3.4	2.3	1.3
Machinery	—	—	—	—	—	—
	(Million \$)	2.7	2.6	5.8	8.4	8.4
Oils	—	—	—	—	—	—
	(Million \$)	3.1	3.3	6.8	5.7	5.8
		MAIN EXPORTS				
Rubber	(000 tons)	23.9	21.7	19.1	16.8	17.1
	(Million \$)	59.9	86.2	39.1	23.4	24.0
Timber (Logs and Sawn)	(Mil. cu. ft.)	3.8	4.1	3.1	5.2	10.5*
	(Million \$)	6.5	10.2	8.3	12.3	17.4
Copra†	(000 tons)	31.7	23.6	17.6	15.3	26.6
	(Million \$)	17.2	15.8	7.5	8.7	13.8
Firewood	(000 tons)	67.9	58.7	95.6	53.8	24.5
	(Million \$)	1.6	2.4	3.1	1.0	.5
Tobacco	(000 lbs.)	255.0	224.3	286.2	142.9	311.3
	(Million \$)	1.7	1.7	2.1	.6	3.5
Cutch	(000 tons)	4.1	4.6	4.0	4.9	5.6
	(Million \$)	1.2	1.4	1.8	2.4	2.8
Dried and Salt Fish	(000 tons)	.8	.8	.7	.7	.6
	(Million \$)	.6	.6	.6	.5	.5
Hemp	(000 tons)	.6	.1	.4	1.2	1.9
	(Million \$)	1.2	.3	.5	1.6	1.8

* 9.1 million cubic feet in terms of sawn timber.

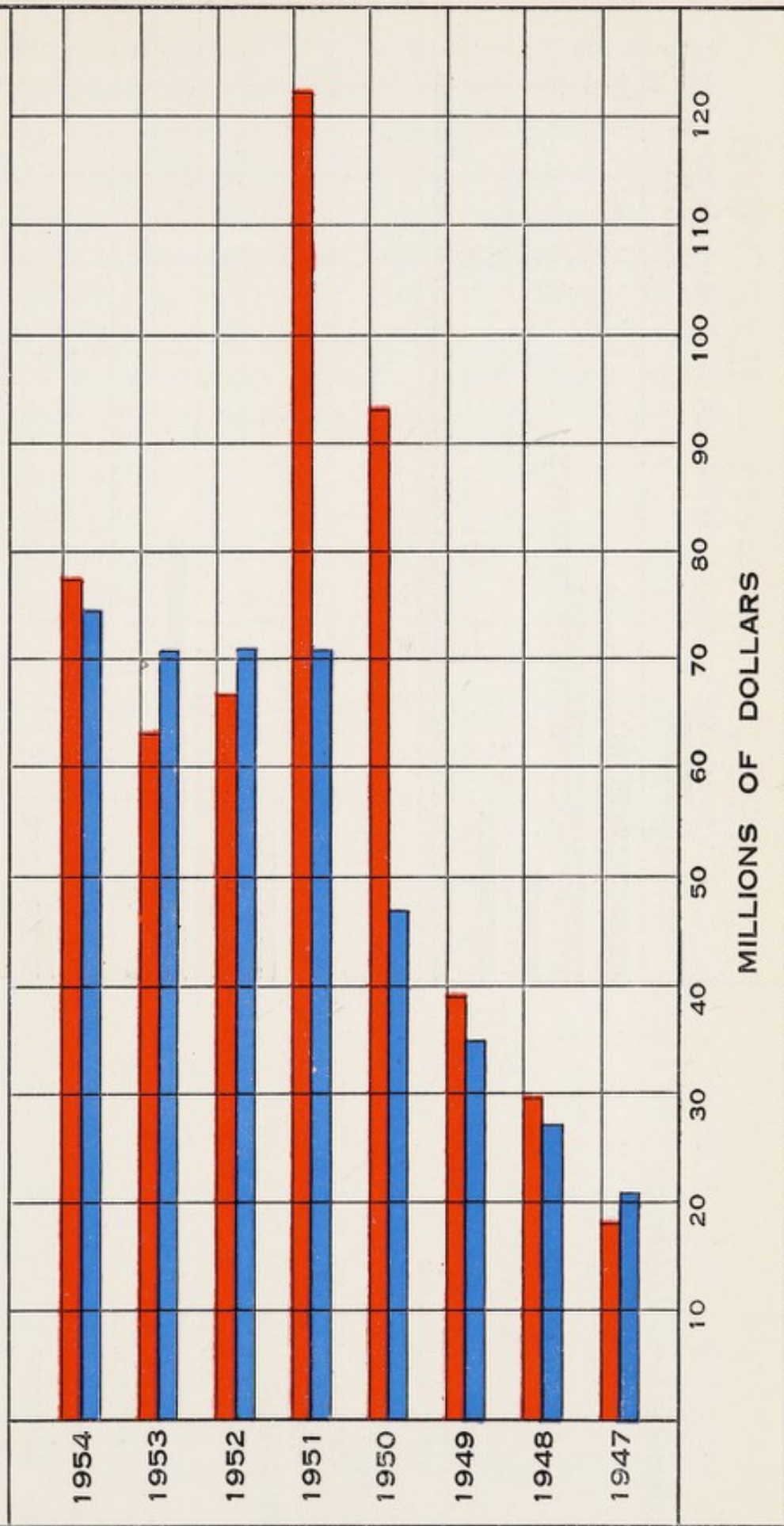
† Includes re-exports.

IMPORTS AND EXPORTS (INCLUDING RE-EXPORTS)

1947 - 1954

IMPORTS

EXPORTS



1954 IMPORTS - EXPORTS

VALUES BY COUNTRY OF ORIGIN AND DESTINATION

IMPORTS EXPORTS

COMMONWEALTH COUNTRIES

HONGKONG

MALAYA

OTHER ASIA

AUSTRALIA & NEW ZEALAND

UNITED KINGDOM

SOUTH AFRICA

CANADA AND BR. WEST INDIES

OTHER COMMONWEALTH COUNTRIES

NON-COMMONWEALTH COUNTRIES

CHINA & FORMOSA

JAPAN

OTHER ASIA

EAST AFRICA

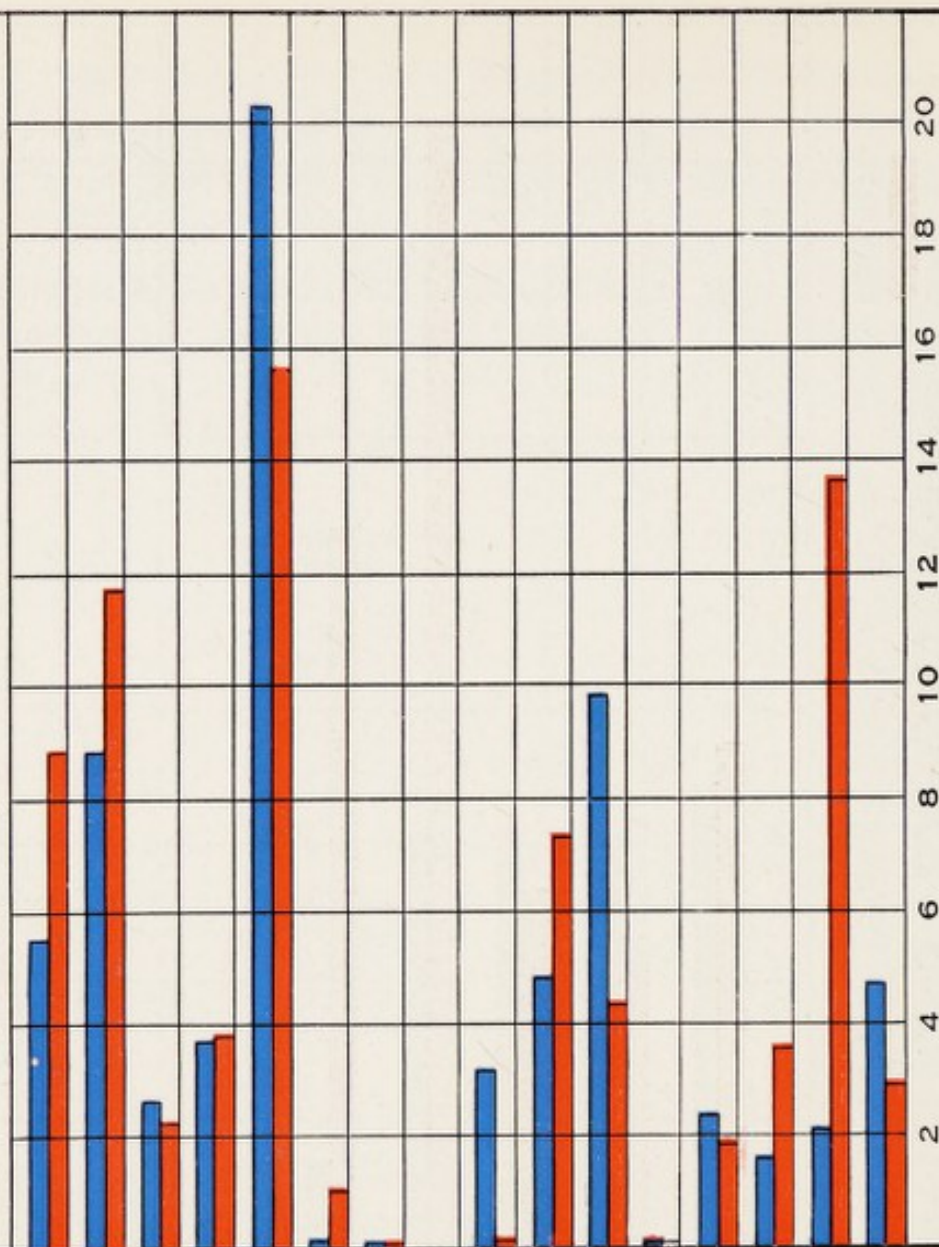
NETHERLANDS

GERMANY

OTHER EUROPE

U.S.A.

MILLIONS OF DOLLARS



Control of Imports and Exports

In order to conserve foreign exchange and to regulate the importation of certain commodities a licence from the Commissioner of Trade and Customs must be obtained for certain types of goods. There are restrictions on the importation of goods from Japan and the American dollar countries, but further steps were taken during the year under review to remove import licensing restrictions on goods of European origin. The export of certain goods is prohibited except under licence. These include strategic materials and commodities in short supply.

Source and Destination of Goods

The following tables show the value and percentage of total value of imports declared by countries of origin and of exports declared by countries of destination:—

PERCENTAGE OF VALUE OF TOTAL IMPORTS BY COUNTRY OF ORIGIN

	Values by Country of Origin	Percentage of Total
United Kingdom	\$20,458,931	28.15
Malaya	8,739,930	12.03
Hong Kong	5,411,493	7.45
Japan	4,973,782	6.84
U.S.A.	4,699,475	6.47
Philippine Islands	4,134,764	5.69
Australia and New Zealand	3,738,931	5.14
Thailand	3,507,016	4.96
Indonesia	3,171,351	4.36
Netherlands	2,414,908	3.33
Other European non-Commonwealth Countries	2,157,319	2.97
Formosa	2,107,056	2.90
India and Pakistan	1,886,288	2.60
Germany	1,545,414	2.13
China and Macao	1,164,030	1.60
Other Asian non-Commonwealth Countries	960,649	1.32
Other Asian Commonwealth Countries	894,166	1.23
African Commonwealth Countries	228,675	.31
Canada and British West Indies	149,468	.21
African non-Commonwealth Countries	92,172	.13
Indo-China	75,909	.10
Other American non-Commonwealth Countries	59,438	.08
	<hr/>	<hr/>
	\$72,671,165	100.00
Postal Articles	1,665,251	
	<hr/>	
	\$74,336,416	

PERCENTAGE OF VALUE OF TOTAL EXPORTS BY COUNTRY OF
DESTINATION

	Values by Country of Destination	Percentage of Total
United Kingdom	\$15,609,462	20.21
Other European non-Commonwealth Countries	13,501,108	17.48
Malaya	11,765,745	15.23
Hong Kong	8,749,508	11.33
Japan	7,365,444	9.54
Philippine Islands	3,830,236	4.96
Australia and New Zealand	3,796,190	4.92
Germany	3,575,254	4.63
U.S.A.	2,732,763	3.54
Other Asian Commonwealth Countries	2,348,642	3.04
Netherlands	1,871,769	2.42
African Commonwealth Countries	1,086,589	1.41
Indonesia	275,189	.36
Other Asian non-Commonwealth Countries	189,414	.24
Other American non-Commonwealth Countries	188,566	.24
China and Macao	137,773	.18
Thailand	126,851	.16
Formosa	54,949	.08
India and Pakistan	13,382	.02
African non-Commonwealth Countries	11,613	.01
Canada and British West Indies	2,009	—
	<hr/> \$77,232,456	100.00
Postal Articles	60	
	<hr/> \$77,232,516	

The following table shows the percentage by value of each of the principal exports taken by the several countries of destination:—

<i>Rubber</i>			per cent	<i>Estate Tobacco</i>			per cent
United Kingdom	...	...	34.1	United Kingdom	...	...	99.1
Malaya	...	...	31.1	U.S.A.	...	...	.9
Hong Kong	...	...	12.2				
Germany	...	...	11.3				100.00
Other European non-Commonwealth Countries	...	...	8.3	<i>Timber</i>			per cent
U.S.A.	...	...	2.6	Japan	...	...	35.9
Netherlands	...	...	.4	Australia	...	...	18.8
			100.00	Hong Kong	...	...	17.8
<i>Copra</i>			per cent	United Kingdom	...	...	14.7
Other European non-Commonwealth Countries	...	...	71.2	African Commonwealth Countries	...	...	6.4
Netherlands	...	...	15.4	U.S.A.	...	...	3.5
Germany	...	...	10.1	Other Asian Commonwealth Countries	...	...	1.3
Malaya	...	...	2.4	Malaya	...	...	.6
United Kingdom	...	...	.9	Netherlands	...	...	.5
			100.00	Formosa	...	...	.3
				Germany	...	...	.1
				African non-Commonwealth Countries	...	...	.1
							100.00
<i>Hemp</i>			per cent	<i>Firewood</i>			per cent
United Kingdom	...	...	86.1	Hong Kong	...	...	100.0
Other European non-Commonwealth Countries	...	...	7.1	<i>Cutch</i>			per cent
Germany	...	...	2.5	U.S.A.	...	...	51.4
New Zealand	...	...	2.2	Japan	...	...	18.3
Netherlands	...	...	.8	Hong Kong	...	...	12.1
South Africa	...	...	.7	United Kingdom	...	...	7.4
Malaya	...	...	.6	Other European non-Commonwealth Countries	...	...	5.8
			100.00	China	...	...	4.0
				Netherlands	...	...	.9
				Germany	...	...	.1
							100.00

Transit Trade

The transit trade along the whole coast of the Colony during the year amounted to 220,283 tons valued at £12 million.

Importation of Essential Commodities

The Government Supplies Department continued to be responsible for the importation of rice.

Production

LAND UTILISATION AND OWNERSHIP

THE area of the Colony is 29,388 square miles, of which the greater part is covered with largely primeval forest, unpopulated and without communications other than jungle tracks and rivers negotiated with difficulty. The greater part of the population is settled in the areas represented by the Residencies of the West Coast and Labuan and Interior. The East Coast, apart from the centres of Sandakan, Tawau, Lahad Datu, Semporna and its islands, and the riverine villages of the Labuk and Kinabatangan, is largely uninhabited.

A table at Appendix V gives details of the planted acreage of the main crops of the Colony by districts. Some of the acreages and particularly that of hill padi in the Interior have had to be partly estimated in the absence of a full survey, and entire accuracy is not, therefore, claimed for these figures. Pasture areas exist in the Kota Belud district and in the Keningau Plain, but are of secondary importance compared with arable cultivation. Increasing concern is being felt over the large areas of alienated but uncultivated land, which are a legacy of the former Chartered Company's policy to encourage the entry of capital by granting large concessions without the safeguard of adequate cultivation clauses.

All unalienated land is the property of the Crown. Forest reserves at present constitute approximately 727 square miles, but will in due course be increased to approximately 3,000 square miles when the extensive timber concession areas on the East Coast are included. Native reserves amount to 45,000 acres, and reserves for other purposes, 11,000 acres. Concessions for oil and certain mineral rights cover the island of Labuan and 1,000 square miles of the mainland.

Shifting Cultivation remains a serious problem and is particularly harmful when practised in virgin high forest. The extent of the destruction is not easy to assess, but in the north-east of the Colony aerial photographs and ground inspections have shown that within the last few years appreciable areas of valuable timber have been burnt and further damage is being caused elsewhere. There is no simple solution. The felling of virgin forest, as opposed to secondary growth, is against the law, but offences are difficult to locate and the effect of prosecutions is in any case doubtful. In the long run the solution is to induce the hill-folk to adopt a more settled form of agriculture in the lowlands where they will have readier access to medical, educational and other social services, but the process must be gradual; and the present policy is to ensure as far as possible the success of modest schemes for resettlement rather than to risk failure by attempting ambitious schemes at the outset. A pilot scheme to settle 100 families, who had previously practised shifting cultivation in the hills, on the level and more fertile plain at Bingkor in the Keningau District was started in 1953 and has proved most successful. With the assistance of Colonial Development and Welfare funds over 100 families have been settled and 369 acres of land had been brought under cultivation with wet-padi by December, 1954. A similar scheme has been started at Paginatan in the Ranau District. From the Labuk area north of Sandakan, selected headmen have been sent to the Kota Belud District to learn the art of wet-padi and dry-padi (Kendinga) cultivation with the aim of instructing their people in more advanced methods of agriculture than the shifting cultivation practised at present. Both the above schemes are also financed by grants from Colonial Development and Welfare funds.

There has been steady progress in settlement schemes in a number of other districts, particularly in the Ulu Kimanis area of the Papar district, where Dusun and Chinese settlements have been made. Another Chinese settlement is at Entabuan in the Tenom district. In these two settlements alone 240 lots averaging from 12 to 15 acres in area have been taken up by Chinese families. A third settlement for Chinese is at Ansip in the Keningau district, where 80 lots, which have been applied for, are now

being surveyed. Ample land is available for agricultural expansion but lack of communications has been a limiting factor. This is being remedied by the construction of earth-roads or "jeepable tracks" which are being built under the supervision of the District Officers to open up likely areas.

A Committee was established during the year with sub-committees in each Residency to examine problems of land utilisation and to make recommendations thereon, including the need for legislation.

Proper land utilisation cannot be planned in the absence of topographical, geological and soil maps. Considerable progress has been made in the preparation of standard cadastral sheets, in which some topographical information is also recorded, each for an area of 1,000 acres. This work has been concentrated on the West Coast, on areas already cultivated and adjacent lands. New areas are surveyed in consultation with District Teams. Geological reconnaissance of the Colony is sufficiently advanced for a preliminary assessment of the mineral possibilities to be made, and it is anticipated that a photo-geological reconnaissance will be completed in the near future by the Directorate of Colonial Geological Surveys. Good progress in the preparation of soil maps has also been made by the two soil scientists who are being paid for from Colonial Development and Welfare funds.

A soil scientist, working on the East Coast, carried out two major surveys covering 206 square miles to determine and map the extent of the rich basalt soils of Tawau and the Mostyn region of the Semporna Peninsula, and much valuable data has been obtained. A temporary laboratory was established at Sandakan and work was begun on the analysis of soil samples collected during the year. On the West Coast and in the Interior 2,100 acres of swamp land in the Menggatal-Inanam area and 3,000 acres on the Keningau plain were mapped and described with a view to examining their potentialities for padi growing. In addition a soil reconnaissance of several thousand acres in the Ulu Kimanis-Bongawan area in the Papar district of the West Coast was undertaken to ascertain the potentialities of the land for settlement.

Land Ownership

The present Land Laws of the Colony of North Borneo are contained in the North Borneo Land Ordinance, 1930, which since February, 1953, has also been applied to the Island of Labuan. There are two forms of tenure in the Colony: ordinary leasehold available to anybody and title by entry in the Register of Native Titles confined to natives.

Title by entry in the Register of Native Titles confers upon the registered owner a permanent, heritable and transferable right of use and occupancy in his land, subject only to the general provisions of the Land Ordinance, 1930, and to the duty of preparing his padi fields and of participation in the performance of works of common benefit. Dealings in land held under Native Title as between natives and non-natives are prohibited. Land held by entry in the Register of Native Title may, however, be sold to a non-native with the prior consent of the Resident.

A native is defined by law as either:—

- (a) a person both of whose parents are or were members of a people indigenous to the Colony; or
- (b) a person ordinarily resident in the Colony and being and living as a member of a native community—
 - (i) one at least of whose parents or ancestors is or was a native within the meaning of (a); or
 - (ii) one at least of whose parents or ancestors is or was a member of a people indigenous to—
 - (1) the State of Brunei; or
 - (2) the Colony of Sarawak; or
 - (3) the territories of the Federation of Malaya, the Colony of Singapore or the former Straits Settlements; or
 - (4) the territories of the Indonesian Archipelago including that part of the Island of Borneo not comprised in the Colony, the State of Brunei and the Colony of Sarawak; or
 - (5) the Sulu group of the Philippine Islands.

The area held under Native Title excluding native reserves is approximately 134,860 acres. Generally speaking, the land occupied by natives is rice land, or land carrying fruit trees interspersed with secondary undergrowth, bamboo, sago, coconuts or rubber, or land bearing coarse grass, or any combination of these. Natives living in the hills and practising shifting cultivation do not hold titles to the land they occupy and cultivate.

The Land Ordinance, 1930, has provisions for the settlement of native customary rights to land, but, in fact, all littoral districts in the Colony have long been settled.

Excluding town areas, non-indigenous inhabitants occupy approximately 547,567 acres. Of this area 281,700 acres are European-owned, and the balance of 265,867 acres is occupied by Asians, the majority of whom are persons of Chinese descent. The European-owned land is generally used for such large-scale commercial crops as rubber, tobacco and Manila hemp, but a large proportion of the total area remains unplanted. The land occupied by Asians is generally used for rubber, coconut, rice or vegetable gardens.

No leases for Town or Country Lands are now granted for more than 99 years. Rent on land held under Native Title is 50 cents per acre per annum. Rent on Country Leases is one dollar per acre per annum for the first six years, four dollars per acre per annum for the next four years and six dollars per acre per annum thereafter. In the case of lands expressly alienated for wet rice cultivation, rebates are so arranged that, provided the land is planted, the rent per acre payable by the owner of the land is reduced to 50 cents.

DRAINAGE AND IRRIGATION

In contrast to preceding years this Branch of the Public Works Department was at last able to recruit additional senior and junior staff, although it still remains under establishment.

Steady progress was made on the Colonial Development and Welfare Corporation Scheme, which was begun in 1952, to bring drainage and irrigation to the rich rice-growing area of some

6,000 acres around Papar. Drainage works were completed while the irrigation works together with the pump houses and quarters for the attendants were so well advanced that it will be possible to provide irrigation during 1955.

In the Klias Peninsula, the reclaiming of 2,500 acres, which forms the first part of a Colonial Development and Welfare Scheme to reclaim a total of 12,500 acres, was successfully completed. The demand for land in the reclaimed area has, however, been disappointing, and at the end of the year only 261 lots had been taken up out of a total of 453 available. The lack of interest shown by many former applicants is thought to be related to the heavy work entailed in clearing the primary jungle which covers much of the area. Because of the poor response, the reclamation of the remaining 10,000 acres (the second part of the scheme) has been given a low priority, and during the year work was limited to the formation of $1\frac{1}{2}$ miles of the main bund.

In the Tuaran District, a scheme financed from Colonial Development and Welfare funds for the reclamation of 1,900 acres of rice land and the irrigation of 4,750 acres, at an estimated capital cost of \$650,000, made steady progress. Half a mile of reclamation bund has been completed and contracts have been placed for the construction of two pump houses and the supply of pumping equipment.

The Likas Swamp of some 850 acres in the Town Board area of Jesselton, which suffered re-inundation during the war due to collapse of the sluice gates, was reclaimed during the year by the rebuilding of the bund and the construction of two new tidal gates. These have been built to carry a future realignment of the main road from Jesselton to the north.

AGRICULTURE

There has been continuing interest in improved agricultural methods for crops of all kinds. For the second year in succession the harvest was a record, there was a further increase in the demand for high quality rubber-planting material, an enthusiastic response to schemes for agricultural resettlement and an increasing demand for good quality poultry and for prophylactic treatment of poultry against Ranikhet disease. There was also a heavy demand for material, principally fruit trees, from the Central Agricultural Station at Tuaran.

Rice

The 1953-54 padi crop proved to be a record with a total estimated yield of 50,220 tons of padi (equivalent to 31,136 tons of rice calculated on a milling return of 62%) compared with the previous season's yield of 30,188 tons of rice.

The yield of wet padi amounted to 42,288 tons from 45,100 acres compared with 38,697 tons from 44,420 acres in 1952-53 and that of dry padi to about 8,000 tons from approximately 32,000 acres.

The indications are that the 1954-55 crop will also be a heavy one. Damage from insect pests which threatened in a number of areas during September, October and November was averted by the concerted action of the farmers themselves under the direction of the assistant entomologist.

In June, 1954, controls which had existed since 1948 over the milling of local padi and over the movement of local padi and rice, were lifted. In the face of a free market in local padi and rice, the Government Padi Purchase Scheme, which had been initiated with the object of buying up surplus padi direct from the growers and of storing it as a food reserve, became liable to serious financial risk. Plans were therefore drawn up to be implemented in 1955 whereby the padi reserve could be held and turned over by millers and dealers and the Government Padi Purchase Scheme, with its guaranteed price for padi, was discontinued at the end of 1954. The grower can now sell his padi freely on the market, but it is doubtful whether the price will in future be as rewarding as the Government price in the period 1952-1954.

Rubber

The price of rubber rose steadily during the year and the average was £163 per ton as compared with £162 in 1953. 17,125 tons were exported compared with 19,093 tons in 1952 and 16,844 tons in 1953.

The total planted acreage is estimated to be about 120,400 acres, of which 63,850 acres comprise estates of over 100 acres. It is computed that less than 10% of the total is planted with high yielding material. As the greater proportion of all rubber trees in the Colony consists of seedling material planted more than 20

years ago, production in the absence of new planting or replanting may be expected to drop at an increasing rate as plantations become senescent.

The seriousness of the situation called for vigorous action, and in November on the advice of the Rubber Fund Board, a Rubber Industry Replanting Fund Ordinance was enacted, which provides for a cess on rubber exported from the Colony to be used to finance planting and replanting schemes. The Ordinance came into force on 1st January, 1955, and the Rubber Fund Board recommended the imposition of a cess of two cents as from 1st April, 1955. The burden of the cess is being offset by a reduction of at least two cents on the export duty under a modified export-duty formula.

The Rubber Fund Board was established by Ordinance in 1950 with three official and six unofficial members under the chairmanship of the Director of Agriculture. It is representative of all rubber interests, both large and small, in the Colony. By an amending Ordinance enacted during the year, provision was made for a still greater unofficial representation, and the Board became a body corporate. From the Fund's revenue, derived from a $\frac{1}{4}$ -cent cess per lb. on all rubber exported, contributions are made to the Rubber Research Institute of Malaya, the Rubber Development Board, and the British Rubber Producers' Research Association. The Board also maintains on an expanding scale its own bud-wood nurseries and an isolated seed-garden for a supply of high yielding planting material to the local industry. 141,552 clonal stumps and 3,697 yards of budwood were supplied in 1954, as compared with 81,903 stumps and 857 yards of budwood in 1953. The demand continues to exceed production and is particularly high for 1955, in anticipation of the introduction of a planting and replanting scheme.

Coconuts and Copra

The area under coconuts in the Colony is approximately 45,600 acres. Exports during the year were 26,645.06 tons of copra (including re-exports), 18.32 tons of coconut oil and 900,700 nuts, of which the total value was \$13.9 million as against \$8.7 million in 1953. Prices for copra have proved disappointing and gradually declined from \$33.00 per picul in January to \$24.00 in December.

A serious outbreak of the nettle caterpillar (*Setora nitens*) in the Kudat District is described in the section on pests and diseases.

Tobacco

The Colony is noted for the high quality of the wrapper leaf tobacco grown by the Darvel Tobacco Co., Ltd., at their Estates on the rich alluvial flats of the Segama river near Lahad Datu on the East Coast. In 1954 the estate was free from floods, which have often caused serious damage, and some 450 acres were cropped. The production for 1954 is estimated at 280,000 lbs.

A crude sun-dried leaf is grown by native farmers in the high valleys of the Crocker range, in the Minokok country at the headwaters of the Kinabatangan and on the alluvial flats of Marudu Bay. The acreage in 1954 under native tobacco was estimated at 1,200 acres with a production of some 720,000 lbs. of prepared tobacco. Most of this went to local markets. Exports of tobacco (both estate and native grown) amounted to 311,326 lbs., valued at \$3,473,877, as compared with 142,879 lbs., valued at \$645,498 in 1953.

Manila Hemp (Musa textilis)

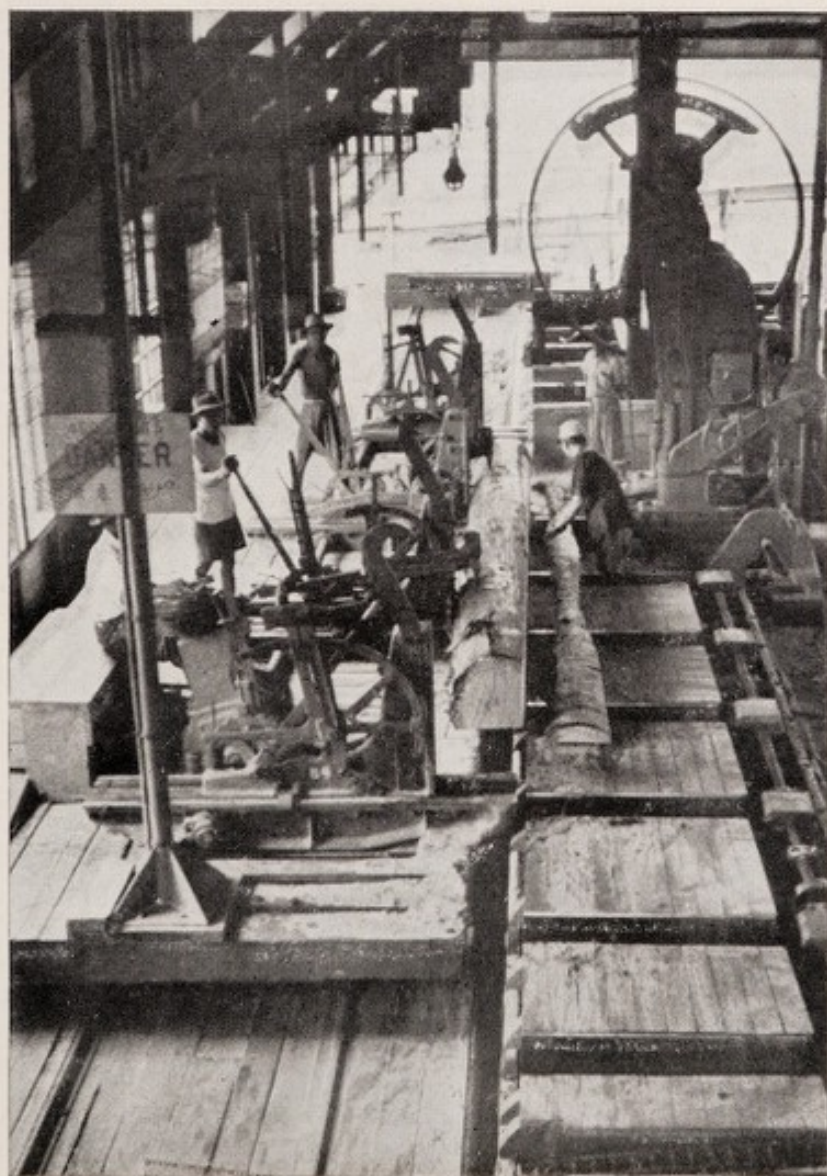
The cultivation of hemp is limited to the rich volcanic soils of the Semporna peninsula on the East Coast, where the Colonial Development Corporation own estates with a planted acreage of 3,748 acres. In addition there are 135 acres in two small Chinese and Dyak-owned estates.

During the year 1,876.14 tons of prepared fibre valued at \$1,768,906 were exported, compared with 1,162 tons valued at \$1,576,874 in 1953.

Virus disease continued to give cause for concern, but strict control and the early eradication of diseased plants ensured the maximum protection possible. In all 394 acres of hemp had to be destroyed. Towards the end of the year, a Plant Pathologist, whose services are being financed from a Colonial Development and Welfare Grant, took up an appointment to investigate the disease.



(Central Office of Information)
Sawmill at Sandakan with log pond in foreground
(The British Borneo Timber, Co., Ltd.).



(Central Office of Information)
Twelve inch band saw at work,



(Central Office of Information)

Timber camp at Kalabakan near Tawau (The Bombay Burmah Trading Corporation, Ltd.).



(Central Office of Information)

Hauling timber at Kalabakan by heavy tractor.

Cocoa

This crop is still under investigation. Unsuitable conditions, including waterlogging, at the Central Agricultural Station at Tuaran have resulted in the decline of the original Amelanado plantings, but in spite of this the trees have continued to bear well and adequate supplies of material from selected high yielding trees have been obtained for propagation. Some 2,000 seedling Amelanado plants and 1,000 Amelanado pods have been made available for trial by estates and smallholders under a wide variety of conditions. In addition budwood from a very high yielding Criollo tree at Tawau has been used for budding on Amelanado stocks as a source of future clonal material, and encouraging results have been obtained by the Colonial Development Corporation with some 2,000 Amelanado plants established on Table estate at Tawau.

An enterprising native farmer at Sindumin in the Interior who owns 300 bearing trees of Criollo cocoa has now established a further 8,000 seedling plants and, with the assistance of the Department of Agriculture, is preparing trial samples of cured beans for commercial appraisalment.

Sago

The production of sago was again limited to local requirements and there is little prospect for the recovery of this industry.

Pepper

Persisting low prices have effectively stifled interest in pepper and though a small demand for planting material continues to be met by the Central Agricultural Station, there is no evidence of any serious extension of planting.

Existing plantations on the East Coast, few in number and of small acreage, produced a total of 6,100 lbs. of prepared berries valued at \$15,000, which were exported to the neighbouring Philippine Islands.

Other Crops

Maize, groundnuts, soya beans and coffee are produced in limited quantities for local consumption, except for soya beans which also have an export market. This crop is being grown on an increasing scale by Chinese in the Tenom valley, and in

1954, 1,980.5 tons valued at \$741,700 were exported. The production of maize, groundnuts and coffee for the year is estimated at 2,500 tons, 350 tons and 150 tons respectively. The coffee varieties favoured are *Liberica* and *Robusta*. *Arabica* coffee is already being successfully grown by villagers on the foothills of Kinabalu, and this should develop into a promising industry as soon as communications have been improved.

Staff and Policy

The staff of the Agricultural Department consists of a Director of Agriculture, one Senior Agricultural Officer, three Agricultural Officers, two Soil Scientists, a Plant Inspector, a Stock Development Officer, an Assistant Entomologist, three Senior Agricultural Assistants, fifteen Agricultural Assistants and fifteen Junior Agricultural Assistants. The Veterinary branch of the Department consists of a Veterinary Officer, an Assistant Veterinary Officer, three Veterinary Assistants and five Stock Inspectors. Fresh Water Fisheries are under the charge of a Fisheries Officer.

The principal aims of the Department are to make the Colony self-sufficient in basic foodstuffs, to increase production in well diversified economic crops, to conserve and increase the numbers of livestock, to improve methods of cultivation, to control pests and diseases in both crops and livestock, to survey and open up new areas suitable for cultivation and to undertake research into all branches of local agriculture and animal husbandry in order to obtain accurate knowledge and information on which to base future development.

Agricultural Experimental Stations

The Central Agricultural Station at Tuaran continued to be financed under a Colonial Development and Welfare Scheme. It consists of 68 acres, all of which have now been fully cleared. Of this area 25 acres are being used as a nursery by the Rubber Fund Board, and 6 acres are devoted to padi experimental work.

The 1954 expansion programme included the construction of a pigsty and fish pond, additions to the propagating, potting and hardening sheds and the construction of poultry runs. New labourers' lines are also being built. Fruit stocks have been increased by the addition of a wide range of specially selected varieties from local and overseas sources. Total fruit stocks

established for eventual distribution amount to 7,000 plants. During the year 1,700 selected seedling or budded fruit plants, some 2,000 cocoa seedlings and 1,000 cocoa pods, and large numbers of rooted pepper cuttings, coffee seedlings and other planting material were distributed.

The Padi Station at Inanam, which also continued to operate under a Colonial and Development Welfare Scheme, is concerned with experimental work on all problems of padi cultivation, including investigation into manurial requirements, water relationship, methods of cultivation and the trial and selection of new and local varieties of padi. Similar experiments were also laid down on the 10 acre experimental station at Keningau in the Interior. Additional padi experimental plots have been acquired on lease in the Papar and Kota Belud districts and a large number of padi trials have been conducted on farmers' fields throughout the main padi growing areas.

The first three acres of a new Hill Crop Experimental Station, were cleared at Ranau (1,500 feet) and arrangements are in hand for acquiring 15 acres at Bundu Tuhan (3,680 feet) where tea, coffee, potatoes and tobacco are already important crops and where it is hoped to establish a wide range of sub-tropical fruits and temperate vegetables.

Pests and Diseases

One major and three minor outbreaks of the Oriental Migratory Locust occurred in the Marudu Bay (Kudat) and Kota Belud areas. As in previous years team driving with traps and poison baiting were quickly organised, and damage to crops was averted.

More serious was an outbreak which lasted from January to September of the Coconut Nettle Caterpillar in the Kudat district, where 2,000 acres were badly affected. With the co-operation of the local Chinese Chamber of Commerce and landowners, it was agreed to collect a cess of 50 cents a kati on all copra leaving the district. With the funds raised in this manner, sufficient pressure lamps were purchased to give a distribution of one lamp for every 5 acres, and in this way millions of emergent moths were destroyed. Other control measures included the use of fogging machines and insecticidal sprays to treat affected trees, the large scale breeding by school children of the larval parasite

(*chaetexorista javana*) and the determination and eradication of some 30 alternative host plants in the area. Similar measures were successfully used to deal with a relatively minor outbreak which affected some 150 acres at Tawau in the south-east corner of the Colony.

In the Lahad Datu district on the East Coast about 300 acres of coffee were damaged by the Coffee Berry Borer. On the West Coast the Padi Leaf Hopper and the Rice Bug at one time constituted a threat to the padi crop, but vigorous action by the padi growers under the supervision of agricultural officers prevented large scale egg-laying, which would otherwise have caused heavy infestations at the critical fruiting stage.

Among the more common pests are wild pigs, rats and the giant African snail. Suitable poisons and slug baits were distributed and rat-killing campaigns were organised in padi fields.

Agricultural Education

There is a wide scope for agricultural education in the Colony, but the immediate aim of establishing a farm school has not been realised, principally because of staffing difficulties. In the meantime use continues to be made of the medium of the Vernacular schools. With the co-operation of the Education Department, school gardens are encouraged and opportunities taken as they arise to give talks to pupils on agricultural subjects. School children and farmers are encouraged to visit experimental stations where modern methods of cultivation are demonstrated and explained. In 1954 such demonstrations included the use of tractors and farm machinery, the cultivation of pepper, compost making, fish pond construction, spraying with insecticides and budding fruit and rubber trees. In addition, courses of instruction for agricultural junior staff and others were conducted at the Central Experimental Station at Tuaran. During the year, also, at the suggestion and on the initiative of the Native Chief and the Government school master at Bundu Tuhan in the foothills of Kinabalu, a scheme was started under which numbers

of young men are sent in rotation to the Central Agricultural Station for employment as apprentice labourers for periods of up to four months at a time. As a result new and improved methods of cultivation are already being applied by many farmers in the Bundu Tuhan area. The publication and distribution of pamphlets on special subjects, such as the raising and management of fresh water fish, the construction of fish ponds and the control of agricultural pests, have helped to meet the demand for information on these subjects; and Tamus (native open-air markets) have been made the occasion for lectures, demonstrations and exhibitions.

Mechanisation

The records of costing over a period of several years have shown that while small horticultural tractors and rotary hoes are economical and can reduce the cost of cultivation by 50%, this size of machine is unable to stand up to the strain of continuous work in the padi fields of North Borneo without frequent attention and replacement of parts. The Ferguson tractor, on the other hand, used in conjunction with a wide range of implements has proved itself well suited to local conditions. The small size of padi fields and the heavy outlay required for the purchase of a tractor and implements are likely to prove limiting factors in the immediate extension of mechanical cultivation, but with the advent of irrigation there is a likelihood that field layouts in the main padi areas can be modified to suit the requirements of mechanisation, and consideration is being given to the possibilities of organising tractor pools which will provide facilities to farmers for mechanised cultivation on contract terms.

ANIMAL HUSBANDRY

The Aims of the Veterinary Branch

The Veterinary Branch of the Department of Agriculture is concerned principally with the conservation and increase of livestock in the Colony, so that local agricultural requirements

and the growing demand for fresh meat can be met, and at the same time an export trade in animals with neighbouring territories developed.

Livestock Population and Exports

Accurate figures are difficult to obtain, but there is every indication that the number of animals is steadily increasing in spite of greater exports. The estimated livestock population is:— Ponies 2,900; cattle 16,800; buffaloes 67,000; goats 17,300; pigs 67,000; poultry 2,200,000. The unrestricted export of pigs has been permitted since the middle of 1953, and at the end of 1953 a previous ban on the exportation of cattle (including buffaloes) was lifted to the extent of allowing buffaloes of six years of age or over to be freely exported. The principal exports in 1954 were 2,780 pigs as compared with 857 in 1953, and 1,636 head of cattle, of which all but a few were buffaloes.

Pasture Improvement and Cattle Farms

The general standard of animal husbandry is low, and the situation is aggravated, especially in the heavily cultivated areas, by a lack of suitable grazing grounds in which buffaloes can be turned loose during the greater part of the year when the padi fields are not lying fallow. Pasture improvement and control of grazing trials are being carried out both at the 6,000-acre Sorob cattle farm at Kota Belud and at an 80-acre Government cattle station at Keningau. Experimental grass plots have been established to test a number of imported varieties of grass, so far with inconclusive results, although Molasses grass appears to be the most promising. At Sorob the rotational grazing trials are being made in small subdivided paddocks and some electric fencing has been installed to facilitate control.

The Sorob cattle farm at Kota Belud is a Local Authority enterprise, and was started at the beginning of 1953 with the assistance of a Stock Development Officer as manager under a Colonial Development and Welfare Scheme. Originally, intake was confined to cattle, but in 1954 buffaloes were also accepted,

and at the end of the year, the herds numbered 133 head of cattle and 116 buffaloes. Upon intake every precaution is taken to ensure that no disease is introduced into the farm, and subsequently the animals are rounded up at periodic intervals for inoculation, drenching and salting. This is not always easy in the case of the cattle owing to their wildness and the size of the main paddocks.

Disease

Surra, a disease which had for many years been endemic among ponies in North Borneo and is in most cases fatal, at last appears to have been brought under control. The disease is caused by a blood parasite indistinguishable from *Trypanosoma evansi*, the vector being a Tabanid fly. In 1954 not a single new case was notified, and this tends to confirm the correctness of the conclusion that relapses in old treated cases were the principal source of new infections and not cattle and buffaloes which had previously been regarded as potential and likely reservoirs of the disease. Despite the freedom from new infection, precautionary measures have not been relaxed. During the year all surviving old cases, of which an accurate record has been kept, were examined at monthly intervals and given prophylactic treatment. Racing ponies and ponies exported from the Colony were similarly examined. In addition, regular inspections at three-monthly intervals were made in the Ranau and Kudat districts. Altogether 9,221 blood smears were taken and 912 protective injections of antrypol given. 388 blood samples from cattle and buffaloes were examined with negative results.

The Colony was again free from the major epizootic diseases of cattle. No cases of rinderpest, foot and mouth disease or contagious bovine pleuropneumonia were recorded. Tuberculosis in cattle was also absent.

The principal cause of loss of condition in most forms of livestock in North Borneo is infestation by worms. The use by stock owners of proprietary anthelmintics has, however, become

increasingly popular. Ticks are prevalent among ponies and cattle, but good results are being achieved by the use of a proprietary brand of Hexachlorobenzine and supplies of this, together with sprayers, are maintained at all cattle centres.

One of the most successful aspects of veterinary work has been in connection with the free prophylactic treatment of Ranikhet disease in poultry. This disease had annually since 1920 taken a huge toll throughout the Colony, and poultry owners had come to regard it as an inevitable visitation against which there was no safeguard. This passive attitude has altered radically within the last three years. The prophylactic treatment of the disease with Ranikhet vaccine at first regarded with suspicion and later with doubting interest, has now been accepted with enthusiasm. In 1951 31,000 birds were treated, in 1952 90,000, in 1953 168,000 and in 1954 360,500, belonging to over 15,600 owners.

Another service offered to poultry owners has been caponisation by means of stilboestrol injections. Individual owners are now adopting this method in favour of the surgical operation hitherto conducted by Chinese specialists.

Research

Towards the end of the year a new laboratory with modern equipment and ancillary buildings, such as kennels and cattle stalls, was completed at Jesselton. Electricity and water supply remain to be installed, however, and in the meantime the laboratory facilities, provided by the Medical Department, are continuing to be used.

FORESTS

The Forest Estate

The total area of declared Forest Reserves was 727 square miles, which is less than 3% of the area of the Colony. To this figure must be added the timber concession areas being worked on a sustained yield basis. It has been accepted that these will be constituted reserves as soon as possible, and boundary descriptions of the main concession blocks have been prepared. It can thus be claimed that 3,000 square miles, representing 10% of the Colony, are already earmarked as forest reserve. Proposals for further reserves include the greater part of the residual high forest

on the West Coast. Information on the extent of the different types of forest has been obtained from a scrutiny of air photographs taken in recent years, and the following particulars can be regarded as giving a reasonably accurate picture:—

	Area	Proportion of whole Colony
(1) Inland dipterocarp forest with commercial possibilities ...	7,876 square miles	26.8 per cent
(2) As above but topography too rough for commercial working under present conditions ...	8,218 square miles	28.1 per cent
(3) Dipterocarp forest of doubtful immediate value because of selective logging in the past or for other reasons ...	2,145 square miles	7.3 per cent
(4) Poor virgin forest, mainly montane ...	1,499 square miles	5.1 per cent
(5) <i>Belukar</i> , poorly stocked swamp forests, etc. ...	2,616 square miles	8.9 per cent
(6) Fresh water swamp with commercial possibilities ...	235 square miles	0.8 per cent
TOTAL INLAND FOREST ...	22,589 square miles	77.0 per cent
(7) Mangrove forest ...	1,058 square miles	3.6 per cent

The Forest policy of the Colony follows the principles laid down at the Commonwealth and other Forest Conferences. It is to constitute as permanent forest reserve all land, the best use of which is the production of timber, having regard to a balanced economy of all the Colony's resources, and to manage it on a sustained yield basis relying on natural regeneration assisted by silviculture.

Conservation and Improvement of Forest Land

The problem of shifting cultivation has already been mentioned on page 41. 11,377 acres of forest received silvicultural treatment in the form of regeneration improvement fellings compared with totals of 5,215 acres in 1952, and 11,066 acres in 1953. The work consists of encouraging the young natural growth of desirable species by cutting climbers and by poison-girdling (with sodium arsenite) non-commercial species shading or competing

with them. The forest so treated should reach maturity more rapidly and yield a considerably increased tonnage per acre than the original forest. In the research block at Sibuga Forest Reserve near Sandakan, regeneration under varying treatments and at different stages of development is being studied under a Colonial Development and Welfare Scheme, and the arboretum and experimental plantations there were extended.

Utilisation

The principal companies operating in the Colony are the British Borneo Timber Co., Ltd., the North Borneo Timbers, Ltd., the Bombay Burmah Trading Corporation, Ltd., and Kennedy Bay Timber Co., Ltd., all of whom were granted 21-year concessions in 1952. The Standard Agreement entered into with each of these companies, except the British Borneo Timber Co., Ltd., provides for an estimated felling cycle of 80 years. The concession areas vary from approximately 300—550 square miles. In the case of the British Borneo Timber Co., the concession area is 1,000 square miles, and under their agreement a more rapid rate of exploitation is involved. Other licences are issued for one year at a time only, but except when the operations are of a minor nature, sufficient areas have been set aside to ensure that there can be continuity of working for from 15 to 20 years.

The emphasis in 1954 was again on mechanisation, and further supplies of logging trucks, tractors, road graders and other machinery were imported. One company, however, partially returned to hand-logging methods during the year, but continued to use its tractors for haulage over difficult terrain and for the construction of extraction routes. Tournaskidders used by another large company for hauling on original dragging tracks proved unsatisfactory in wet conditions, but are expected to serve a useful purpose drawing logs on metalled roads. A Wyssen crane tried out by the Bakau and Kenya Extract Co., was found to be unsuitable for moving bark in mangrove forests and was dismantled and sold.

Fifty-six sawmills were in operation during the year and four others were either completed or in the course of construction. With few exceptions, the units are small and inefficient. The

British Borneo Timber Co., Limited's new bandmill at Sandakan was formally opened by the Governor in May, 1954. The Bombay Burmah Trading Corporation Limited proceeded with the construction of their power house and sawmill at Wallace Bay near Tawau, and it is hoped that the mill will be operating in 1955. Kennedy Bay Timber Co., Ltd., began the installation of a small sawmill on the Pangaruan River and also started work on a causeway to Bakapit Island (adjacent to their mainland concession) and on the formation there of an industrial site with wharf facilities. On this site they plan to install a green and sheet rotary veneer plant and also a slicing machine for sliced veneers. Details of the sawmills are as follows:—

Ownership	No. of Mills	ANNUAL PRODUCTION CUBIC FEET (Hoppus measure)		
		Input (logs)	Outturn sawn	Recovery per cent
Chinese ...	46	1,394,124	819,764	59
European ...	9	2,642,927	1,255,917	48
Native ...	2	60,145	38,531	64
TOTAL ...	57	4,097,196	2,114,212	57

Production

All the important timbers of the country are, with two exceptions, members of one family—the Dipterocarpaceae. Of these, the most abundant and commonly used both locally and for export are red seraya (*Shorea* spp.), white seraya (*Parashorea malaanonan*); kapur (*Dryobalanops* spp.) and keruing (*Dipterocarpus* spp.). Belian (*Eusideroxylon zwageri* T. & B.) and merbau (*Intsia* spp.) are the two most important non-dipterocarp species, and with selangan batu (*Shorea* spp. and *Hopea* spp.) are the main sources of the durable hardwood timbers of North Borneo. Supplies of fuel (firewood and charcoal) are obtained from mangrove swamp forest in which bakau and bangkita (*Rhizophora* spp.), tengar (*Ceriops* sp.) and beus (*Bruguiera* sp.) are the most important constituents.

There was a marked increase in the production of timber in 1954 which increased by over $4\frac{1}{2}$ million cubic feet. There was also an expansion of catch in 1954, over 60 per cent. of which

went to the United States' market. In response to reduced demand, the production of firewood declined heavily.

PRODUCTION OF FOREST PRODUCE

Commodity	1953	1954	
Timber (total logs and sawn) ...	10,216,308	14,905,437	cu.ft.
Sawn (sawmill outturn true volume) ...	2,059,380	2,114,212	" "
Firewood ...	2,144,249	1,323,915	pikuls
Charcoal ...	34,357	30,785	"
Cutch ...	5,038	5,560	tons
Birds' nests ...	307	294	pikuls

Trade

The demand for North Borneo timber was keen during 1954, though exports to the United Kingdom showed a substantial decline. Japan, however, more than tripled her 1953 imports of timber from the Colony and the market in Hong Kong and Australia also expanded.

There was further considerable decline in firewood exports to Hong Kong and a considerable reduction in charcoal exports. Export of birds' nests also showed some falling off as compared with 1953. There was, however, a welcome expansion in the export of cutch, particularly to Dollar markets and the exports of damar also increased.

EXPORTS OF TIMBER (LOGS) FROM NORTH BORNEO COMPARATIVE QUANTITIES AND VALUES BY DESTINATIONS

Destination	1953		1954	
	Quantity *	Value \$	Quantity *	Value \$
Australia ...	923,150	1,828,692	1,712,416	3,374,741
Holland ...	63,438	210,793	19,518	73,610
Hong Kong ...	1,185,291	1,453,327	2,507,749	2,383,610
Japan ...	1,357,780	2,641,782	4,359,997	6,532,220
South Africa ...	202,603	414,528	421,865	794,446
United Kingdom ...	823,923	3,125,086	470,612	1,277,446
U.S.A. ...	51,377	89,436	222,773	509,012
Others ** ...	48,651	79,353	120,681	173,809
GRAND TOTAL ...	4,656,213	9,842,997	9,835,611	15,118,796

Average Price

per Cubic Foot

\$2.11

\$1.54

EXPORTS OF TIMBER (SAWN) FROM NORTH BORNEO
COMPARATIVE QUANTITIES AND VALUES BY DESTINATIONS

Destination	1953		1954	
	Quantity *	Value \$	Quantity *	Value \$
Australia ...	2,548	3,057	14,077	54,629
Holland ...	3,707	26,856	8,798	36,183
Hong Kong ...	165,563	267,979	383,028	647,023
Japan ...	90	180	—	—
South Africa ...	85,624	352,246	91,990	345,338
United Kingdom ...	223,073	1,583,720	178,155	1,222,636
U.S.A. ...	—	—	11,476	44,432
Others **	39,913	120,546	83,870	226,837
GRAND TOTAL ...	520,518	2,354,584	771,394	2,577,078
Average Price per Cubic Foot		\$4.52		\$3.34

NOTE:—

* Quantity in cubic feet;

Logs, in Hoppus $\frac{1}{4}$ girth;

Sawn, as measured.

** Includes Brunei, Malaya, Egypt, Germany, Indonesia, Italy, Philippines, Singapore, Ship use, South Arabia and Taiwan.

EXPORTS OF TIMBER — LOGS AND SAWN — IN TERMS OF
SAWN TIMBER, 000S OF CUBIC FEET

1947 ...	1,567
1948 ...	2,860
1949 ...	3,064
1950 ...	3,265
1951 ...	3,535
1952 ...	2,741
1953 ...	4,512
1954 ...	9,202

Based on the formula — $\frac{6}{7}$ Vol. (Logs) actual Vol. (Sawn).

EXPORTS OF FOREST PRODUCE

Commodity	1953		1954	
	Quantity	Value \$	Quantity	Value \$
Timber—Logs ...	4,656,213†	9,842,997	9,835,611†	15,118,796
Timber—Sawn ...	520,518*	2,354,584	771,394*	2,577,078
Firewood (Pikuls)	903,958	1,049,391	411,859	524,661
Charcoal (Pikuls)	14,380	63,836	3,998	15,469
Cutch (Tons) ...	4,941	2,357,627	5,566	2,782,834
Damar (Tons) ...	829	277,568	1,213	330,785
Birds' Nests (Pikuls)	280	134,393	252	114,389
Other minor forest produce (Tons) ...	762	696,365	1,291	727,566

† Hoppus $\frac{1}{4}$ girth. * as measured.

Staff, Education, Research and Miscellaneous

For purposes of forest administration the Colony is divided into two divisions, the East Coast and the West Coast with headquarters respectively at Sandakan and at Jesselton. There are altogether five forest districts—Tawau, Lahad Datu and Sandakan on the East Coast and Jesselton and Beaufort on the West Coast. The headquarters of the Department is at Sandakan under the Conservator of Forests and includes a headquarters establishment, a Working Plans and Surveys Section and a Research Section, each under the charge of an Assistant Conservator, and a Timber Inspection and Grading Section under a Junior Assistant Conservator of Forests. In 1954, the staff consisted of the Conservator, one Senior Assistant Conservator until 16/9/54, four Assistant Conservators (one of these until 29/3/54 only), four Junior Assistant Conservators, one Head Ranger, fifty-one Forest Rangers of various grades, one hundred and sixty-five Forest Guards and forty-three launch crew. The Department is still considerably below the authorised establishment and until this situation is rectified there is bound to be a loss of efficiency.

In addition to the above, a Forest Botanist, a Forest Cartographer, a Working Plans Officer, four Forest Rangers and one Forest Guard are paid for under Colonial Development and Welfare Schemes.

During the year, four of the field staff from North Borneo were sent to the Forest School, Kepong, Malaya. All passed, one with a credit certificate.

The opening of the Forest School at Sandakan was an important event. In order to give some training to the maximum number possible, two classes of fifteen students were held, one starting in July and the second in November. By this means thirty junior officers in the Department who had received no previous technical training have now been given a grounding in the basic principles of forestry, and the four best will be sent to Kepong for further training.

The Working Plans Section carried out enumeration of growing stock in a number of areas and continued the demarcation of the boundaries of the British Borneo Timber Company Limited's concession blocks. The production of maps from aerial photographs was facilitated by the introduction of a Ruthurstat Photo Copying and Duplicating Machine, and good progress was made. By the end of the year maps covering 3,000 square miles of the East Coast were almost finished and work was well advanced on another series covering 2,000 square miles.

The Research Section collected 996 botanical specimens, principally from commercial species of timber, and in most cases duplicates were sent to large herbaria, including Leiden (Holland), Kew (England), the Arnold Arboretum (United States), Brisbane and Melbourne (Australia) and Singapore and Kepong (Malaya). Twelve samples of commercial timbers were sent to Kepong for small-scale testing and five consignments representing five different species were selected for full-scale testing in the United Kingdom. Silvicultural experiments continued in the Research Block of the Sibuga Forest Reserve. The investigation of taxonomic problems in the Dipterocarpaceae continued and descriptions of a number of common species were prepared for printing. A list of preferred names for North Borneo trees was also in preparation.

FISHERIES

Following the decision taken in 1952 that the Colony could not support a separate Fisheries Department, it was closed early in 1953.

Fish forms a staple food for many of the Colony's inhabitants, and the 1951 Census revealed that fishing is the principal occupation of 4,991 persons. During the year 5,494 fishing boats were licensed and licences were issued for 2,052 fishing traps, nets and lines. The increasing popularity of outboard engines continues. There is no deep-sea fishing in the accepted sense. The main sources of supply are the relatively shallow coastal waters, and on the East Coast, the estuaries of the greater rivers, particularly the Labuk and the Kinabatangan. At certain seasons of the year, large shoals of pelagic fish arrive in the waters off Sipitang in the Brunei Bay area, and are caught by hand line in great numbers. Branches of trees are sunk in suitable places as far as six miles from the coast. These provide shelter for the bait fish which are, in turn, followed by the pelagic fish, principally *Bonito*, *Barracuda* and *Tenggiri*. Of special interest on the East Coast are prawns, turtles and seed-pearl oysters. The prawns fisheries in the Labuk estuary are the most highly organised native fishing industry in the Colony. The number of nets is controlled, 404 nets having been licensed for fixed sites in 1953. Turtle fishing is practised under licence in the Darvel Bay area by the Cocos Island settlers. In the Labuk district, seed-pearl oysters are collected in shallow water. Women open the shells, cook the part containing the pearls, which are then separated by rinsing. The pearls are exported.

Fishing methods used are varied and numerous, and although they may appear crude to the Western eye, their simple ingenuity is peculiarly suited to the local conditions. In waters of wading depth the native fishermen use throwing nets and rotan basket-like traps. The long net (*pukat*) is used at low tide near river mouths and on beaches. In slightly deeper water, stake traps which may last several years, are constructed from local forest produce, although mesh wire is becoming increasingly sought after. In deeper water still, hook and line are used. Chinese fishermen rely entirely on drift nets operated in deep water from junks or sampans of various sizes.



(Central Office of Information)

Stripped Manila hemp emerging from the "Corona" machine
on hemp estate near Tawau (Borneo Abaca, Ltd.).



(Central Office of Information)

Brushing and grading the stripped hemp.



(Central Office of Information)
Timber hauling by buffalo near Sandakan.



Sago Maker — Klias Peninsula.

(J. E. Longfield)

The fishing industry is not, on the whole, well organised. As a general rule, it can be said that fishermen are independent where they fish for their own consumption, or for a limited market, but in the larger urban areas where there are big markets the industry is more often than not controlled and financed by the middlemen, who supply the boats and gear. Only at Tawau on the East Coast are there any adequately capitalised companies operating fleets of junks. Here fishing is carried out in relatively deep water, and the catches are salted or frozen and exported. At Tawau also exists the only plant producing ice for the industry.

Prices in the local markets vary considerably according to the demand, the nature of the fish and on whether the catch is sold direct by the fishermen or through fishmongers. Retail prices during the year by middlemen in the larger markets ranged from 40 cents a kati for third class fish to \$1.30 a kati for first class fish in the Jesselton market. A kati is the equivalent of $1\frac{1}{3}$ lbs.

The culture of fresh-water fish continued to be financed under a Colonial Development and Welfare Scheme administered by the Agricultural Department. Prior to 1948 there were only four fresh-water fish ponds in the Colony, and these were confined to the raising of carp. Between 1948 and 1952, eleven new ponds were established and by the end of 1954 the number had increased to 492. The majority of the ponds are situated in the Interior, where they are most needed, and many are to be found at considerable altitudes as in the case of Bundu Tuhan (3,700 feet) and Teboh (5,000 feet) in the foothills of Kinabalu. In size they vary greatly from ten square yards to as much as half an acre, but it is becoming increasingly appreciated that large ponds are needed if the fish are to reach maximum growth.

The initial expansion was not achieved without difficulty and considerable persuasion was required to overcome the fears and prejudices of those whom it was desired to help. Muslim farmers, for instance were at first reluctant to co-operate on the grounds that their ponds might be contaminated by pigs, and the Dusuns of the Interior hesitated to construct ponds in suitable areas from fear of disturbing the evil spirits believed to dwell in swamps.

The species cultivated are Tilapia (*Tilapia mossambica*), Ikan Kului (*Osphronemus goramy*), Sepat Siam (*Trichogaster pectoralis*), Grass Carp (*Ctenopharyngodon idellus*), Big Head (*Aristichthys nobilis*) and Ikan Balian (*Labeobarbus tambra*) a local species which is being tried out at Tambunan. Of these Tilapia has proved especially satisfactory. It is hardy and prolific, and under good conditions will yield more than 2,000 lbs. an acre per annum. This species has also been used to stock rivers, swamps and old bomb craters with encouraging results. The transport of fry to distant areas has been greatly facilitated by the internal airways service which permits rapid transit with a minimum of loss. Over 4,618 fry were distributed free during the year.

Social Services

EDUCATION

Literacy

ON the basis of a definition of literacy as ability to read and write a simple letter, the 1951 census revealed that 117 per thousand of the total population and 170 per thousand of the population of 15 years and over were literate. A table showing the literacy rate per mille of the total population of indigenous and Chinese communities by Residencies is at Appendix VI.

The post-war years have been characterised by a strong demand among all communities for primary education. This is due both to an awakening interest in and appreciation of the benefits of education and also to greatly improved economic conditions. While ability to read and write is growing steadily, literacy among the natives of the country is still low in comparison with that of the total population and of the Chinese community. Analysis shows that literacy is greater where the concentrations of population are greatest and is almost confined to those areas where communications are good. In providing new schools the Education Department naturally is forced to use its limited resources to supply schools and teachers where the population is comparatively thick and it is thus far easier to provide them in places like Labuan or Tuaran, for example, than along the Kinabatangan River where the density of population is only 1.5 per square mile, so that the trend of higher literacy rates and better education in the more populous areas will inevitably continue for some years to come. Among the Chinese, 303 per thousand of all ages were literate while the corresponding figure for the indigenous community was 55 and for others—i.e., Indians, Indonesians, natives of the Philippines, etc. it was 202 per thousand. Similarly the ratio of females to males among those literate was

shown to be much better among the Chinese, in which community, in all ages, 411 males and 166 females per thousand were literate, whereas among the indigenous population the corresponding figures were 101 males and 9 females per thousand.

The census also indicated a very marked increase in literacy in the lower age groups, a trend which accords with the greatly increased facilities for schooling in the last few years. Among the indigenous communities, there is shown to be very much room for educational facilities to expand, for in the most literate age groups only 206 males per thousand (in the 20-24 age group) and 22 females per thousand (in the 15-29 age group) were literate, while the efforts of the Chinese community both in providing Chinese education in communal schools and in taking advantage of the English education offered by Mission schools is well illustrated by the literacy and age tables which show figures ranging from 737 literates per thousand for males in the 25-29 age group to 394 literates per thousand in the age group of 55 and over, and from 418 per thousand for females in the 15-19 age group to 74 per thousand in the age group of 55 and over.

The present educational system of the Colony provides for six years of primary education in Malay, Chinese or English, followed by up to six years of secondary education in English or Chinese. The number of schools of all types at the end of September was 249 (233 in 1953) with a total enrolment of 26,420 pupils, as compared with 24,105 in 1953, made up as follows:—

<i>Pupils</i>	<i>Enrolment</i>
European and Eurasian	199
Dusun	3,848
Murut	710
Bajau	1,019
Other Indigenous	2,818
Chinese	17,038
Other	788
	<hr/>
	26,420

Of this total 18,428 were boys and 7,992 girls. A full analysis of pupils by race is given at Part A of Appendix VII and figures showing the growth of education since 1946 and the proportion of boys to girls are at parts B and C respectively of the same Appendix.

Staff

The administrative and supervisory staff of the department consisted of the following Officers:—

The Director of Education

A Senior Education Officer

One Education Officer whose duties include the inspection of schools (a second officer has still to be recruited)

A Woman Education Officer

Two Supervisors of Chinese Schools

Three Supervisors of Vernacular Schools

The Woman Education Officer, in addition to routine duties, advised generally on matters pertaining to the education of girls and in particular on domestic subjects, health training and on the training of women teachers.

The Supervisors visited schools as often as possible in accordance with approved itineraries. Copies of their reports were sent to the District Officer and head teachers concerned as well as to the Education Department. Whilst their reports included such routine details as time-tables, the school garden, handwork, equipment, repairs, etc., their chief task was to help the teachers to give better lessons and to keep them in touch with new developments.

Eight courses for teachers were held, new syllabuses drawn up and a Malay reader written in consultation with teachers. The first Colony-wide examination, set and corrected by the Education Department, was held for Primary VI English school classes, and full inspections were carried out at two Sandakan schools.

The total number of teachers for all types of school registered in the Colony as at September, 1954, was 1,657, but of these only 856 were actually engaged in teaching. The corresponding figures for 1953 were 1,525 and 827 respectively.

Legislation

A new Education Ordinance came into force on the 15th December, 1954. The Ordinance charges the Director of Education with the superintendence of education in the Colony and requires the formation of an Advisory Committee for Education under the chairmanship of the Director which has "the right and duty to advise the Governor upon matters relating to education". The Committee must meet at least three times a year and be composed of persons "who, unless being natives, do not hold any office in the public service and who have a special interest in education".

The Ordinance also requires registration of schools, school managers and teachers and provides *inter alia* for the employment of unregistered teachers where, in the opinion of the Director of Education, no suitable registered teacher is available.

Consolidated regulations have been made under the new Ordinance to cover building, health, sanitation, conduct of schools and grants-in-aid. Under the health section the Director may require the medical examination of teachers, including an annual X-ray examination, and the medical inspection of pupils.

Finance

Expenditure on education from Colony funds during 1954 was approximately \$1,146,150, made up as follows:—

Recurrent expenditure—

Personal emoluments	\$445,000
Other charges	310,000
	<hr/>
	\$755,000

Building grants to non-Government

Schools	190,000
Equipment grants	9,150
Other Special Expenditure	7,000
Government schools — new building and maintenance	185,000

Expenditure under Colonial Development and Welfare Schemes amounted to approximately \$314,000, including Recurrent and Capital Expenditure on Kent College (for the training of teachers) and Capital Expenditure on the Government Trade School, Jesselton.

Generous help was also received from donor countries under the Colombo Plan. New Zealand provided five Scholarships, the services of a specialist teacher and \$10,286 for educational equipment and aids. Australia likewise provided five Scholarships, and in addition made available £A6,500 for equipment and tools for the Trade School, and £A3,500 for equipment at Kent College.

Primary Education

Primary education is provided by local Chinese communities, the Christian Missions, local authorities and village communities, and the Government.

There were 81 Chinese Schools open during the year. They are organised through the agency of school committees which raise money both by fees and public subscription. Enrolments totalled 9,800 with 9,304 in the primary sections. Of these 7,434 were in Primary I-IV, 1,078 in Primary V and 792 in Primary VI. The corresponding figures for 1953 were 6,961, 1,085 and 933 respectively. The decrease in the senior classes is due to transfer to Mission schools. Some improvement in the quality of work in these schools was noted during the year but standards are not high. There is much keenness, but the schools lack trained staff, teaching materials and aids and are handicapped by a too frequent turnover of teachers. Kent College will begin to supply trained teachers in 1955, whilst courses for practising teachers organised by the Education Department and grants-in-aid should help to supply some of the deficiencies in teaching materials and aids. Low salaries and short-term contracts are mainly to blame for the frequent changes in teachers. Although there has been some recruitment from Hong Kong, attempts to get better-qualified teachers from outside the Colony have not generally met with success, because of the relatively unattractive salaries offered compared with those obtainable in Singapore and Hong Kong.

Mission Schools were operated as follows:—

Mission	Aided			Unaided			Total Enrolment	
	No. of schools	Enrolment Boys	Girls	No. of schools	Enrolment Boys	Girls	Boys	Girls
The St. Joseph's Foreign Missionary Society, Mill Hill (Roman Catholic)	33	4,209	1,985	7	276	112	4,485	2,097
The Society for the Propagation of the Gospel (Church of England)	7	1,041	505	2	41	20	1,082	525
Borneo Basel Self-Established Church	8	784	490	5	55	58	839	548
Seventh Day Adventist	—	—	—	5	130	58	130	58
Total	48	6,034	2,980	19	502	248	6,536	3,228

Sixty-five of these schools had primary classes with an enrolment of 5,548 boys and 2,880 girls. The primary education given is in either English, Chinese or Dusun, although, gradually, some bilingual education is being introduced.

The age range in English classes remains very wide and many pupils completing the primary English course have been nine years at school. At a number of the schools simple boarding accommodation for a limited number of children is provided, and one school has made a special point of taking orphans. All of the schools are short of suitably qualified and trained teachers.

Five Local Authority Schools, were maintained by the Kota Belud Local Authority. Enrolments numbered 253. Classes were in Malay, but in the largest school some English was taught as a second language. Each school had a vegetable garden, and one was the winner of the school garden competition for the West Coast Residency. The Education Committee of the Authority was very active during the year and kept in close touch with each school. It continued to give particular attention to the problem of pupil wastage. The Authority re-roofed all its school buildings with permanent materials, and altogether in 1954 spent \$13,920 on education.

Twelve Village Voluntary Schools operated during the year with an enrolment of 386. These schools represent another example of self-help, as they are built by the local people themselves, with the approval of the Education Department, to provide some primary education in Malay in areas where no Government school exists. Half the cost of the teachers' salaries is paid by the Education Department, which also supplies equipment and books on loan and gives assistance towards the cost of furniture. The buildings are simple, and the standard of education is lower than in the Government or Local Authority schools.

There were six Estate Schools with a total enrolment of 424 pupils. These schools are provided by tobacco, rubber, hemp and timber companies for the children of their workers and follow a syllabus generally similar to that in the Government Malay or Chinese schools. The Education Department provides assistance in the form of general guidance and, at times, the recruitment of teachers. One of these schools has started providing a free glass of milk each morning for its pupils and its record of attendances has increased considerably.

There were seventy-eight Government Primary Schools with an enrolment of 4,505 boys and 856 girls, as against 3,942 boys and 679 girls in 1953. Two were English schools, one a Chinese school, originally established in 1916 to serve the Shantung Chinese settlement near Jesselton, and in the remainder instruction was in Malay. With the exception of the English school at Jesselton, no fees were charged. More handwork and school gardening work was undertaken than in previous years. A marked improvement was noticed in the standard of schools which had teachers who had completed the course of teacher-training at Kent College. Eighteen school buildings were completed, 12 of which had been started in 1953, and at the end of the year 13 others were in course of construction. A specialist in primary school teaching on loan from New Zealand under the Colombo Plan was stationed at Labuan, where her valuable services were greatly appreciated.

Secondary and Post-Primary Education

1,011 boys and 351 girls received secondary education in English at 20 schools. With the exception of two Government

school classes in Labuan all English secondary education was in the hands of the Missions. Secondary education in Chinese was conducted in three Chinese Middle Schools with 339 boys and 157 girls.

The supply of suitably qualified teachers has not kept pace with the very rapid increase in recent years in the number of secondary pupils in the English schools. As a result the best of the teachers in primary sections, already inadequately staffed, have been drawn away to serve the secondary classes and the standard of both secondary and primary education has suffered in consequence. It was accordingly decided during the year that as from 1955 the further expansion of English secondary school education would need to be rigorously controlled until the teaching situation had improved.

Of the 31 boys and girls who entered for the school certificate examination in December, 1953, 17 passed. 41 boys and 10 girls were candidates for the examination in 1954.

With financial aid from Colonial Development and Welfare funds, the Trade School moved from its kajang and attap premises at Menggatal into permanent accommodation at Batu Tiga, Jesselton. This will permit closer co-operation with the Railway and Public Works Departments, and private firms in the area. The 20 boys of the Trade School who were all in their second and final year, helped to erect some of the new buildings. Upon the completion of their course at the end of the year all received offers of employment. In 1955 there will for the first time be a course in mechanics as well as in carpentry. This has largely been made possible by a gift of £A6,500 from the Government of Australia under the Colombo Plan, for the purchase of equipment and tools. The Colonial and Development and Welfare Scheme under which the Trade School originated expired at the beginning of 1954, and the cost of running the school is now being met from Colony funds.

Training of Teachers

Kent College for the training of teachers had a successful year, but is still in process of development. Twenty-three untrained teachers with a minimum of 5 years' experience were admitted to a one-year course in June, and at the same time forty-seven

students were admitted to Malay and Chinese two-year courses. In April, 1954, forty-two students completed their course at the College. Along with the essentials of educational practice and theory and subject instruction, much attention is also being given to such practical activities as carpentry, gardening and handwork generally. Scouting is strongly supported and a healthy interest is shown in games. The Government of Australia provided £A3,500 under the Colombo Plan for special equipment. Other costs continue to be paid for under a Colonial Development and Welfare Scheme. 116 students were in training at the end of the year.

Courses for teachers were also conducted by staff of the Education Department and were well attended.

The Professor of Education, University of Malaya, organised in October a special one-year course for five experienced teachers from North Borneo. Fees and passages for attendance were provided by the Liberation Educational Trust.

In addition, three women teachers went to England with Colonial Development and Welfare scholarships for a two-year teacher-training course and three men to Australia for similar courses under the Colombo Plan.

Higher and Adult Education

Evening classes for adults organised by the Education Department were available in English, Malay, shorthand, bookkeeping and elementary science at Jesselton and Sandakan. At Kent College literacy classes were held by the students for men and sewing classes for women from the neighbouring villages. 167 men and 103 women attended private night schools for primary instruction in Chinese and simple English.

The Colony Branches of the Red Cross Society and the St. John Ambulance Association provided courses in home nursing and first aid. Training or staff instruction was given by some Government departments and the larger commercial firms. At the Police Training School an intensive and specialised course in Malay is given to recruits to enable them readily to grasp written instructions and to write their own reports, and attention is also given to police routine and procedure and the teaching of English. Particulars of public reading rooms and libraries appear on page 123.

North Borneo continued to be represented jointly with Sarawak on the Council of the University of Malaya by the Directors of Education of the two territories holding office in alternate years.

The number of North Borneo students following post-secondary courses abroad was 43, of whom 17 were in Australia, 15 in England, 4 in New Zealand, 3 in Canada, 3 in the United States of America and one in the West Indies at the Imperial College of Tropical Agriculture.

Overseas Scholarships were held as follows:—

From Colonial Development & Welfare Funds—

Education—3, Law—1, Nursing—1 and Public Administration—1.

Under the Colombo Plan for Technical Co-operation in South and South-East Asia—

Accountancy—2, Draughtsmanship—1, Education—3, Law—1 and Printing—1.

The Liberation Educational Trust

This Trust was established during 1953 with a capital of \$2 million, derived from a part of the proceeds of the former Japanese assets in the Colony. The Trustees of the Fund are the Chief Secretary and the Financial Secretary, whose duty it is to invest the capital and to pay the sums received by way of interest to a Committee of Management under the chairmanship of the Director of Education for disbursements on Scholarships and similar educational purposes. The Committee of Management during the year awarded Scholarships amounting to \$21,000 to the children of War Victims, and \$7,477 to other local scholars. It also awarded Scholarships estimated to cost \$11,000 for five teachers taking a special teachers course at the University of Malaya.

Advisers and Advisory Committees

At the request of the Government, the Secretary of State for the Colonies made arrangements for Mr. E. W. Woodhead, Chief Education Officer for Kent, to visit the Colony in October to advise on the financing of education.

The Education Department had the benefit of assistance from the Education Advisory Committee, the Scholarships Advisory Committee, the Trade School Advisory Committee and the Kent College Advisory Committee throughout the year.

PUBLIC HEALTH

General Health

In so far as there were no outbreaks of major infectious disease, the year 1954 may be said to have been a healthy one. Nonetheless, certain important diseases causing chronic ill health and diminished economic efficiency continue to exact their toll. These are primarily malaria, tuberculosis and intestinal infestations. There is evidence of an increasing public concern as to the effects of these diseases, particularly in the case of tuberculosis. The demand for modern drugs to treat tuberculosis has increased threefold in the past two years, and improved X-ray and other diagnostic facilities have brought to light many new cases, previously suspected but not proved. The examination of contacts of known cases has further disclosed other cases. In view of the difficulties encountered in obtaining adequate statistical information it cannot be concluded that the increased numbers treated really represent a great increase in the disease.

With improving sanitation consequent upon the rebuilding of many of the larger population centres throughout the Colony and with public works designed to improve water supplies and sanitation, it is reasonable to expect a steady improvement in public health.

Vital Statistics

During 1953 the printed report of the Census held in 1951 became available and has been of great value in assessing the public health needs of the Colony. The census report focussed attention on the striking difference in the survival rate of children in different communities. It was remarked that almost 93% of Chinese children survived, whereas for natives in general other than Muruts, a comparable figure was 70% and for Muruts in particular, whose birth rate was in any case shown to be very

much lower than the other races, only 50%. The services of a social anthropologist and a medical investigator were obtained during the year for the express purpose of investigating the causes of the decline of the Muruts, and it is expected that these specialists will continue their studies into 1955.

The registration of births and deaths continues to improve, but still leaves much to be desired, particularly among the less literate sections of the population. For this reason statistics relating to such matters as maternal and infant mortality and morbidity from various causes are not reliable, although in the larger centres and other places where certification is made by a medical practitioner, they are naturally a great deal more accurate. In certain rural districts where medical officers have been able to compile reasonably accurate reports it seems that the neonatal and infantile death rates are in fact declining. This is particularly noticeable where there are maternal and child welfare clinics. For example in the Keningau area comparative figures are:—

Infantile Deaths per 1,000 live births

1951	1952	1953	1954
129.4	100.0	100.7	84.1

The total number of births and deaths registered in 1953 and 1954 were:—

	1953	1954
Births Registered	11,155	12,115
Deaths Registered	4,405	3,918
Excess of Births over Deaths	6,750	8,197

Malaria Control

Malaria continues to be one of the most serious single causes of ill health in the Colony. The disease is not common in the towns and built-up areas, but does affect severely much of the rural population, upon whom much of the economic welfare of the Colony greatly depends. A pilot scheme for the control of malaria is expected to begin in the middle of 1955. The scheme will be sponsored jointly by the Government, the World Health Organisation and the United Nations International

Children's Emergency Fund. The project aims at the eradication of malaria by the spraying of dwelling houses with residual insecticides. Should the pilot scheme prove effective and hopes that it will be so are encouraged by good results so far obtained in a similar scheme in the adjacent territory of Sarawak, then it is intended that residual spraying should be extended to cover the entire Colony.

Tuberculosis

Pulmonary tuberculosis is a cause of much prolonged ill health in the Colony. Whereas the malaria sufferer, if treated, is likely to recover comparatively quickly, it is very difficult to persuade tuberculosis patients to continue with the long course of treatment necessary. The reports of Medical Officers, the results of routine examinations, and the investigations undertaken by voluntary social workers all indicate that the incidence of the disease is high. The North Borneo Anti-Tuberculosis Association ("NOBATA"), originally formed in the year 1953, continued its good work in 1954. The Association is active in propaganda designed to prevent tuberculosis, and carries out relief and welfare work among sufferers from the disease and their dependants.

It is proposed to erect special wards for the treatment of tuberculosis patients at various centres throughout the Colony. These will be airy, well ventilated and of light construction, and will provide, in addition to sanatorium treatment, an element of rehabilitation. They will have the added advantage of relieving the strain on the general hospitals.

Intestinal Disorders

As in all tropical countries where standards of hygiene and sanitation are low, bowel infections form a high proportion of the diseases encountered. However, improved sanitation both as regards disposal of nightsoil and refuse, and improved water supplies, will substantially reduce the number of bowel diseases in the urban areas. The rural community still rely on unprotected wells and polluted rivers and streams as sources of water, and the disposal of excreta in most rural areas is unsatisfactory. A large proportion of the general population harbours more than one kind of intestinal parasite, although serious epidemics of bowel infections are remarkably rare.

General Sanitation and Preventive Measures

Ten Health Inspectors were under training throughout 1954, and they will complete their course in the early part of 1955. This course is being conducted by a qualified teacher made available through the generous assistance of the New Zealand Government under the Colombo Plan. The course has been practical as well as theoretical. Towards the end of 1953 the World Health Organisation provided a Consultant Sanitary Engineer to advise the Public Works and Medical Departments on environmental sanitation, with particular reference to urban sewage disposal. A second engineer was made available during 1954, and the work of planning modern sanitation for the major towns has progressed well.

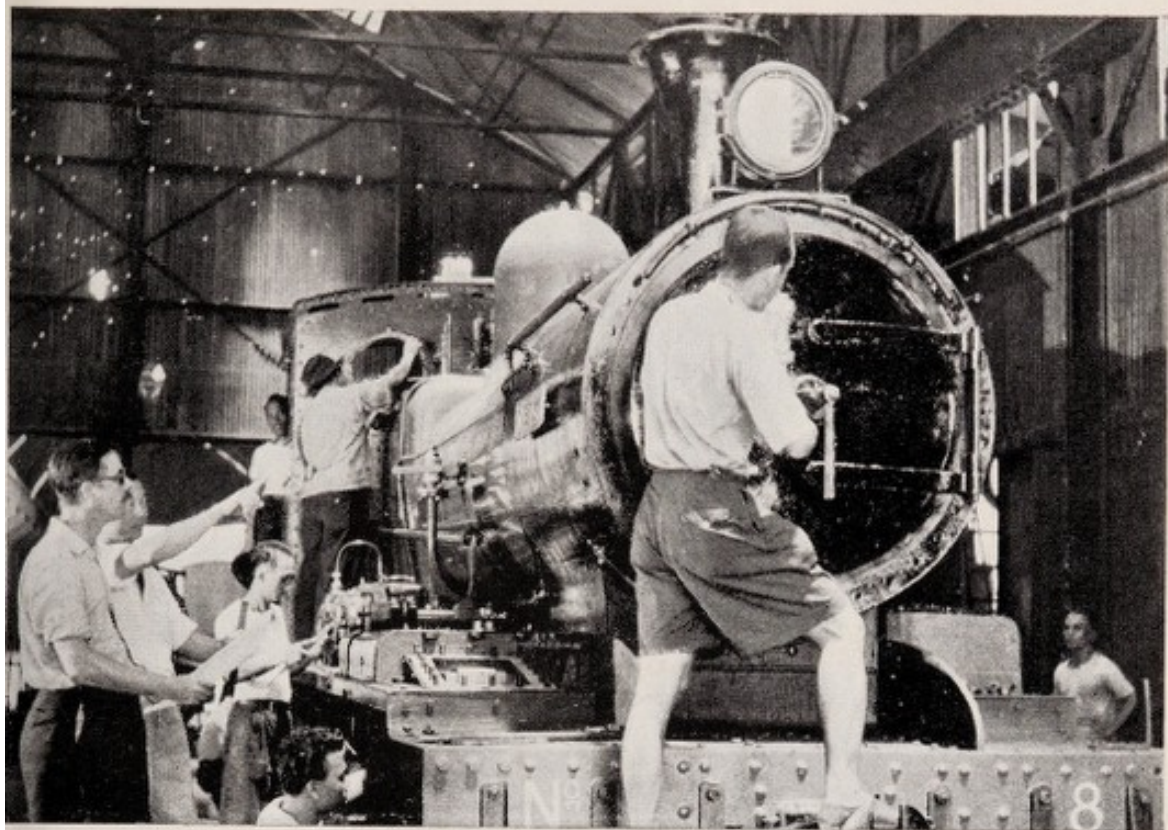
Nutrition

Starvation as such has been practically unknown in the Colony since the Japanese occupation, but many of the rural population fail to appreciate the necessity to include fruit and vegetables in their diet, and as a result cases of avitaminosis are met with here and there. The remedy largely lies in proper education, particularly of the housewife. To this end advice and diet supplements are made available at the Health Centres and at Government dispensaries; and, through the generous assistance of UNICEF, Maternal and Child Welfare Clinics and Health Centres have received additional supplies of these drug and diet supplements. As a result, attendances at the clinics have greatly increased.

Government Hospitals and Dispensaries

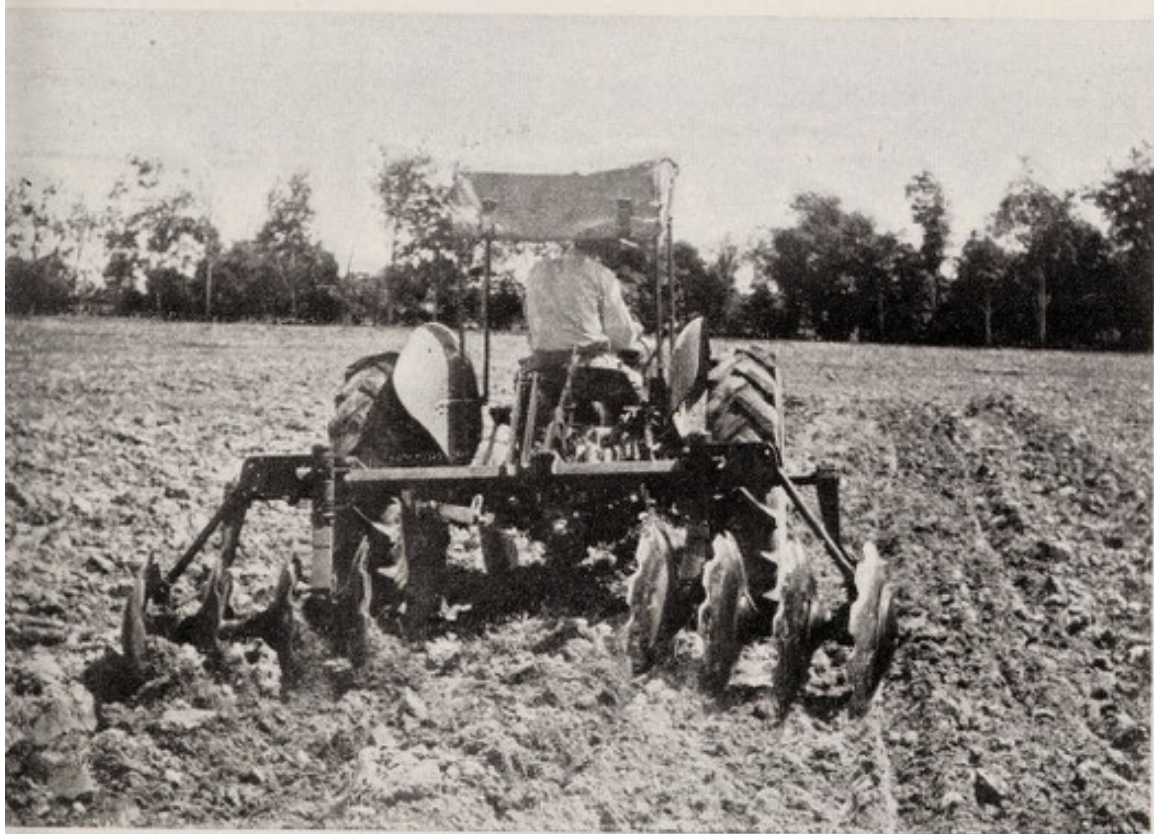
Details of Government hospitals, dispensaries and specialised units are given in Part A of Appendix VIII.

During the year 12,060 in-patients were treated as compared with 10,933 in 1953. Out-patients numbered 280,812 as compared with 271,715. A new operating theatre and out-patients department were erected at Labuan. In Beaufort a new out-patients department, dressers quarters and attendants quarters were built and in Kudat an X-ray room and X-ray plant were



(Central Office of Information)

North Borneo Railways — Rebuilding a 1913 locomotive in the workshops at Jesselton.



(Central Office of Information)

Central Agricultural Station, Tuaran — preparing clonal rubber nursery,



(F. H. Fitch)

Geological Survey Expedition — rafting down the Segama River.



Padi fields near Tuaran, (Central Office of Information)

installed. Tawau hospital was provided with an X-ray room and plant with electric light and an adequate piped water supply. New nurses quarters in Jesselton were completed and are expected to be occupied early in 1955.

Tenders were called for the new Jesselton hospital, which has been re-designed as a 3-storey building, to take 180 beds. The contract will be placed early in 1955, by the end of which year the building should be well advanced.

The Health Centres in Jesselton and Sandakan continued work on an expanding scale. These centres provide ante- and post-natal clinics and infant welfare clinics in the two principal population centres. Support and assistance are received from the local branches of the British Red Cross Society and the St. John Ambulance Association.

Leper Settlement

The Leper Settlement which is situated on Berhala Island at the entrance to Sandakan harbour held an average of 50 patients throughout the year. The inmates, who have greatly benefited from the introduction of modern methods of treatment, occupy themselves in fishing, boat building and agriculture. A voluntary welfare committee is very active in providing comforts and occupational diversion for the inmates. That leprosy is not a serious public health problem is indicated by the fact that an average of only four new lepers is admitted each year.

The buildings in the Leper Settlement are of temporary construction and are due for replacement. The opportunity will be taken to rebuild the whole settlement on a more spacious site where there will also be better facilities for agricultural pursuits.

Mental Hospital

For some time past, conditions at the Mental Hospital in Sandakan have given cause for anxiety. The average number of patients is 100, but the buildings are old and ill-suited to their purpose. Such repairs and renovations as have been possible were completed in 1954, but the provision of a new mental hospital is an urgent necessity, and plans for the construction of a new building on a site adjacent to the Duchess of Kent Hospital in Sandakan are well advanced.

The hospital staff will be strengthened by the arrival, early in 1955, of a fully-trained male mental nurse.

Travelling Dispensaries

The motor ambulance dispensary especially designed for the purpose, continued to serve a number of small towns and villages for distances of up to 20 miles from Jesselton. On the East Coast regular visits were paid to the more remote stations by launch. Plans are well advanced for the completion, early in 1955, of a travelling dispensary to operate on the railway system from Jesselton.

Estate Hospitals and Dispensaries

The Labour Ordinance provides for employers of labour being required to furnish hospitals and medical supervision, care and treatment for their workers. All the larger estates and industrial concerns have dispensaries or small hospitals, and during the year there were 33 places of employment at which such medical facilities were provided.

Staff

The Department is administered by a Director and a Deputy Director of Medical Services, with a Colony Matron and a Medical Accountant-Storekeeper at headquarters in Jesselton. During the year the establishment of 12 Medical Officers in addition to the Colony Surgeon and the Dental Surgeon was under strength by reason of illness, retirement and transfers. Teaching was continued by the W.H.O. sister-tutor project at Sandakan. A second tutor arrived in 1954, and a full course of training for dressers and nurses instituted. A W.H.O. Public Health sister-tutor was also stationed in Jesselton throughout 1954. Teaching was again supplemented by the valuable work done in this respect by a laboratory technician made available to the Colony by Australia, under the Colombo Plan and ten probationary health inspectors have been training under the direction of a health inspector tutor from New Zealand, also provided under the Colombo Plan.

A table showing the total medical and health staff in the Colony is at Part B of Appendix VIII.

Visitors

Visits during the year were received from two senior nursing officials of the World Health Organisation, a distinguished Swiss hospital architect, the President of the British Medical Association, the adviser in pediatrics to the W.H.O. Western Pacific Region, a small-pox consultant from the Western Pacific Region of W.H.O., the resident representative of the United Nations Children's Fund, and the adviser in environmental sanitation of the W.H.O. Western Pacific Region. The advice given and the interest taken in the Colony's medical problems by these visitors was greatly appreciated.

Expenditure

The estimated expenditure on medical services from Colony funds in 1954 including personal emoluments, amounted to \$2,278,995. This figure refers to Medical Department expenditure only, and does not include sums spent in the towns on such municipal conservancy measures as scavenging, removal of night-soil and inspections by local authority officials within the urban areas. Neither does it include capital expenditure on new buildings nor the generous aid which the Colony continued to receive under Colonial Development and Welfare Schemes, and from the United Nations International Children's Emergency Fund, the World Health Organisation and under the Colombo Plan.

Assistance from Voluntary Organisations

During the year valuable practical assistance was again given by the North Borneo branches of the British Red Cross Society and the St. John Ambulance Association. In its campaign against tuberculosis, the Medical Department received splendid support from the North Borneo Anti-Tuberculosis Association.

HOUSING AND BUILDING

Reconstruction

The 1954 Building Programme has largely been a question of small works, many of which have been outstanding since the original programme was drawn up. Among major works, however, were the construction of a new Nurses Home in Jesselton while a start was made on an Administration Block and Police buildings at Papar. At Sandakan the Town Police Station, with

bachelor and married quarters, was completed as also were the Divisional Police Headquarters buildings. This work primarily consisted of reconstruction of existing buildings together with new quarters and Lock-up. Sandakan's new Market was still not complete by the end of the year, and a new Government Station, at one time planned to be built at Tangkulap, was started instead at Lamag on the Kinabatangan River and reasonable progress obtained.

In general, it may be said that in the smaller Government Stations, the building reconstruction programme, which includes a measure of development, is now complete. In the larger towns, particularly Jesselton, Sandakan and Tawau, some Government staff is still housed in the temporary buildings which were hurriedly erected after the war and which are now at the end of their economic life. Many of these will be replaced in 1955, and the programme should be completed in 1956.

The designs for two remaining major building projects, the Central Government Offices and a new Hospital at Jesselton, were completed by private architects and tenders had been called by the end of the year. Replacement of the temporary hospital at Keningau, for which designs had almost been completed in 1955, was delayed as a result of suggestions from a visiting Consulting Architect, Mr. Vetter, whose wide experience of hospital design led to alterations being incorporated. Tenders were expected to be invited early in 1955. Lastly, designs for a new Mental Hospital at Sandakan were prepared by the P.W.D. and it was expected that tenders for this Institution also would be invited in 1955.

Urban Housing

Private building continued steadily throughout the year although progress was slow over the construction of permanent shophouses in the towns. This state of affairs is expected to be remedied in 1955 by a system of sponsored building loans. Very considerable progress was made, particularly in Sandakan, in the construction of private dwelling houses. In that town the removal of the Government Hospital to a new site enabled a well-designed suburb to be laid out in the area where the old site had been.

In the larger towns, permanent materials are used, either brick or concrete blocks with roofs of tiles, asbestos sheeting or reinforced concrete. Domestic dwellings vary according to the purse of the owner from modern cement bungalows with every convenience to houses of timber construction with squared hardwood frames on concrete posts and roofs of either the attractive local billian shingles or corrugated iron, asbestos or, in more remote localities, aluminium sheeting.

Rural Housing

The housing needs of the rural population of North Borneo are essentially simple and present no difficult problems. Among the settled and prosperous Dusuns of the coast and inland plains the age-long system of communal houses has been discontinued and their villages consist of groups of houses clustered together among fruit and coconut trees. In general, these houses are raised above the ground on piles and entered by means of a ladder or notched tree trunk. Their construction is primitive—hardwood posts, walls of bamboo, bark, sago-palm stems, or occasionally, planks, and a thatched “attap” roof made from the leaves of the nipah or sago-palm, materials which are always available. On the heavily populated Tambunan plain in the Interior, the Dusuns build their homes entirely of bamboo.

It is noticeable that the standard of building among the settled Dusun community in coastal districts has improved very considerably of recent years commensurate with their increasing wealth, and it is no uncommon thing to see well-built and well-designed timber houses with durable roofs set among the coconut trees above the padi fields.

Among the more primitive Muruts and Hill Dusuns occasional long-houses which may be as much as 200 feet in length and contain the whole village, are still to be found. These houses are rarely built to last more than two or three years, for, quite apart from the flimsy construction, any one of a number of superstitions would cause the occupants to desert their house and build a new one.

Hotels and Rest Houses

The Sabah Hotel at Sandakan originally opened and run by Malayan Airways whose Borneo main-line service from Singapore terminates there is leased to Mr. Long Yok Sie (whose company runs the Airport Hotel in Singapore). Sandakan is also the operational base for the internal air service.

The Airport Hotel at Labuan was enlarged and greatly improved during the year.

In Jesselton, a new and badly needed hotel was completed in the town and opened in February, and work was finished on a second hotel near the sea-beach at Tanjong Aru.

Fully furnished catering rest houses were maintained by Government at Keningau, Tenom, Beaufort, Sipitang, Papar, Kota Belud, Ranau, Kudat, Lahad Datu and Tawau. The rest houses at Keningau and Ranau in particular are popular as quiet holiday resorts.

PUBLIC WORKS DEPARTMENT

The work of this Department in respect of drainage and irrigation, buildings, roads, waterworks and electricity, construction of airstrips and construction of wharves is covered elsewhere in this report.

Two major site preparation schemes were completed at Jesselton. The first of these entailed the levelling of a hill for the new hospital and reclaiming several acres of swamp land with the spoil. The second scheme involved the removal of a hill almost to ground level for a site for new Government offices. The spoil was sufficient to reclaim $17\frac{1}{2}$ acres of low-lying ground and mangrove swamp, which will be used for residential purposes.

One of the most difficult problems posed by the new town planning and development is that of sewage disposal and environmental sanitation. The greatest assistance in this matter has been given by the World Health Organisation. A Consultant sent by the organisation to investigate the problem towards the end of 1953 was followed in 1954 by a team of two engineers, also from the World Health Organisation, who are engaged in working out detailed schemes based on the Consultant's report.

The recruitment during the year of a Superintendent of Works (Mechanical) and ten skilled artisans from Hongkong led to an improvement in the standard of maintenance of plant and vehicles. The position was also helped by the installation of a track press, metal spraying equipment and wood-working machinery. Plans were approved and orders placed for a modern workshop of steel frame construction, which will be fitted with an overhead crane. In outstations the standard of maintenance work was less satisfactory owing to a lack of skilled fitters and failure of certain lubricating service equipment to arrive on account of the London dock strike.

The strength of the Department at the end of the year was 117 officers, of whom 20 were in the Senior and 97 in the Junior service. Total expenditure, including expenditure on drainage and irrigation, but not on civil aviation, amounted to over \$18 million, of which close on \$3 million was from Colonial Development and Welfare sources. Personal emoluments accounted for over \$500,000, or 2.86% of the total.

TOWN PLANNING

The Central Town and Country Planning Board consists of five *ex-officio* members and five persons nominated by the Governor, under the chairmanship of the Development Secretary. The Board held seven meetings and dealt with seven proposed amendments to town plans covering all the towns scheduled under the Ordinance, namely—Jesselton, Sandakan, Tawau, Labuan, Kudat, Beaufort and Papar.

It also dealt with eleven applications for interim development and subdivisions within the zoned areas of Jesselton and Sandakan.

Most of the amendments to the plans for the scheduled towns were made in response to the demand by the shopkeepers for larger lots than those provided under the approved schemes for these towns.

SOCIAL WELFARE

Social Welfare Council

During the year a Social Welfare Council was set up consisting of nine persons prominent in the field of Social Welfare, with the Commissioner of Labour and Welfare as Chairman. Its terms of reference are:—

- (1) to co-ordinate the Social Welfare work of voluntary organisations *inter se* and of such organisations with that of Government;
- (2) to review the Social Welfare work being done in the Colony from time to time and to bring to the notice of Government any particular matters which it considers require attention, including the necessity for the development of Social Welfare work in any given direction;
- (3) to advise Government on particular issues connected with Social Welfare which may be referred to it by Government;

The Council has begun its work with a general survey, has made certain recommendations to Government and to voluntary associations and is proceeding to examine further aspects in more detail.

War Victims' Fund

The Board of Trustees of the War Victims Fund Ordinance to deal with applications for relief arising out of the Japanese occupation, continued to give aid through the agency of its voluntary local Honorary Secretaries. The Board approved subsistence grants totalling \$22,744, covering both monthly allowances, rice, and invalid food allowance in necessitous cases. At the end of the year there were 219 persons benefiting from these allocations. The Fund continued to contribute towards the cost of educating the children of the War Victims who could not afford to pay fees in full. In a few special cases the full maintenance of the children at boarding school is paid. Altogether, \$21,925 was spent in assisting 410 children. Rehabilitation grants amounted to \$207.

Support from all sections of the community was excellent. On Liberation Day (9th September) the annual special appeal was made, and collections totalled \$24,940, compared with \$19,695 in 1953.

Red Cross

The North Borneo Branch of the British Red Cross Society at the end of the year had two detachments, four cadet units and seven junior links in the Colony. The total number of members was 681, as compared with 515 at the end of 1953.

The Branch continued to promote the work of social service; help was provided for the needy, regular hospital visiting carried out and assistance given in staffing health centres. Close co-operation was maintained with the St. John Ambulance Association and also with the North Borneo Anti-Tuberculosis Association. In Jesselton, for example, management of the "NOBATA" canteen at the hospital for tuberculosis out-patients has been taken over by the Red Cross. A blood bank has been successfully instituted, and much credit is due to the many members of the police force who volunteered their blood for this purpose.

An important function of the Branch is to provide relief in the wake of disasters, such as fires, and one of the tasks of several Red Cross sewing parties is to build up stocks of clothing for issue in such emergencies. There was one serious fire during the year at Tuaran, a township 22 miles from Jesselton, where 5 shophouses were gutted and some 62 persons rendered homeless. Sleeping mats, mosquito nets, blankets, cooking utensils and clothing were quickly collected and help was given in their distribution.

A new headquarters building at Labuan for the Labuan and Interior Residency Division was opened during the year, and in Jesselton a permanent headquarters is planned for the West Coast Residency Division, which will be shared with the St. John Ambulance Association.

St. John Ambulance Association and Brigade

Good progress continued to be made and at the end of the year there was a membership of 118 in the Brigade and 100 in the Association. Classes and lectures in first-aid and home-nursing were again held at a number of centres, and there was an increase in the number of recruits attending. During the year two members became Serving Sisters of the Order and the Colony Commissioner of the Brigade was awarded the Order of St. John. Fully equipped St. John ambulances continued to be maintained at Jesselton and Tawau.

Plans are well advanced for the construction of permanent headquarter buildings at Jesselton (which will be shared with the Red Cross) and at Tawau, and great efforts have been made to raise the necessary funds. The Association's annual flag day was generously supported throughout the Colony.

The North Borneo Anti-Tuberculosis Association (NOBATA)

The North Borneo Anti-Tuberculosis Association, which was formed in 1953, has made rapid progress. Its headquarters are in Jesselton, but during 1954 branches were established in a number of other towns. At the end of 1953 the Association had 44 life members and 291 associate and ordinary members. By the end of 1954 the numbers had risen to 76 life and 2,000 associate and ordinary members. The Association continued to work in close co-operation with the Medical Department and with the local branches of other volunteer welfare organisations. It is an affiliated member of the National Association for the Prevention of Tuberculosis in the United Kingdom, from whom it received valuable assistance as also from the National Tuberculosis Association of the United States of America. Expenditure during the year amounted to \$15,000.

Activities include the dissemination of a knowledge of tuberculosis by means of lectures and broadcasts, the distribution of leaflets, posters and handbills, the visiting of sufferers, the supply of relief to dependants, the issue of special food supplements to hospital out-patients, and the transport of patients and suspects to hospital for treatment or examination. At Jesselton the Association has its own bus. A "NOBATA" canteen, generously donated by a local construction company has been built in the Jesselton hospital compound. Much attention is given to the welfare and morale of patients in the tuberculosis wards of the hospitals. They have been supplied with newspapers, magazines and gramophone records, and wireless sets have been donated to several hospitals. Handwork, such as the making of fish nets, basket-work and weaving has been encouraged by the provision of the necessary materials and tools.

A headquarters office was built in Jesselton, and plans were well advanced for the establishment of a "NOBATA" Settlement where discharged patients will convalesce and be given every chance of full recovery before returning to their villages.

Rotary International

The Rotary Club of Jesselton, which received its charter in 1952, is the first Rotary Club in North Borneo. It is now firmly established and has sponsored new Rotary Clubs at Sandakan and in the neighbouring State of Brunei. Practical expression to the aim of fostering goodwill and fellowship among the various races in the Colony is being given by a project for providing a Youth Club at Jesselton, estimated to cost \$25,000.

Two Rotary scholarships are awarded annually in necessitous cases to enable local students to complete their studies. During the year a sister movement, the Rotary Inner Wheel Club, was formed by the wives of Rotarians.

Boy Scouts

Scouting continued to make good progress during 1954 with numbers increasing to a total of 755 scouts of all ranks by the end of the year. The number of Scout Troops and Cub Packs also increased.

The most notable event of the year, indeed in the Scout history of North Borneo, was the visit in October of the Chief Scout of the British Commonwealth and Empire, Lord Rowallan. Accompanied by the Overseas Secretary from Scout Headquarters, Lord Rowallan arrived in Sandakan on 8th October by air from Hong Kong and, before departing for Brunei eight days later in continuation of his Far East tour, his itinerary led him to Kudat, Kota Belud, Jesselton, Beaufort and Labuan. Many boys travelled long distances to greet the Chief Scout at these points, where various displays, rallies and camp fires were held and where Scouts and Scouters were able to receive the message of encouragement in their activities which the Chief Scout had to offer. At a rally in Jesselton, the Chief Scout unveiled a memorial plaque to the 23 Scouts and Scouters who lost their lives for the Colony in the cause of freedom during the Japanese Occupation.

Girl Guides

The enthusiasm for Guiding during the year was as great as ever, but a limiting factor was the shortage of Guiders. The total enrolment, including Brownies, was 232, with 14 officers.

Thinking Day (February 22nd) was observed throughout the Colony and marked by religious services followed by picnics. Telegrams were sent to and received from branches in other lands and loyal greetings from North Borneo Guides were cabled to Her Majesty the Queen who was then in Tasmania.

Miss McSwiney, the Travelling Commissioner from Guides Headquarters in London gave much appreciated help and advice to the local Branch during visits to the Colony in June and September.

Relief of the Destitute and Disabled

Public assistance for the care of the aged and indigent is the responsibility of the Department of Labour and Welfare operating through the Paupers Ordinance, 1924. Institutes were maintained in Jesselton and Sandakan, from the poor rate paid by employers and property-owners. Outdoor assistance is also provided. The Commissioner of Labour and Welfare had the assistance and advice of two voluntary Boards in the administration of the Fund and of the Institutes. Charitable assistance is also received from the public in the way of comforts and amenities as gifts to the inmates of the Institutes.

The Commissioner of Labour and Welfare is *ex-officio* Protector of Women and Girls under the Women and Girls Protection Ordinance, 1951. No cases came to attention requiring action under the Ordinance during the year.

Juvenile Delinquency

Under the Prisons Ordinance the Governor is empowered to transfer any juvenile delinquent or young offender to an approved school or to a place of detention in Sarawak or Singapore, subject to the approval of the Governor of the receiving Colony. During the year two young offenders were sent to the Boys' Home at Kuching, and at the end of the year there were three boys from North Borneo receiving corrective training in this Home. For further details, see page 103.

Prisons Welfare

Prison Visiting Committees paid regular visits to all prisons and lock-ups. For further details see page 103.

Legislation

Laws Applicable in the Colony

THE Colony of North Borneo comprises the former State of North Borneo and the former Settlement of Labuan which respectively were governed by the laws of the former State and the laws of the Straits Settlements. During the period under review the unification which has been gradually proceeding since 1946 was completed, and the Ordinances and the subsidiary legislation applicable throughout the whole Colony will now be found in the 1946 reprint of the Laws of North Borneo and in the Annual Volumes for the succeeding years. The Revised Edition of the Laws of the Colony in force on the 30th June, 1953, is expected to be available for circulation early in 1955.

Legislation during 1954

With the completion of the unification of the laws it has been possible to give more attention to the revision of important substantive law and during the year under review 30 Ordinances were enacted, the most comprehensive of which are those dealing with education, forests, exchange control, Crown proceedings, rubber industry replanting fund, administrative divisions and nurses registration.

The object of the Education Ordinance (No. 10) is to promote education in the Colony, and to consolidate and amend the law relating to the supervision and control of schools and the teaching therein, and for purposes connected therewith. The Forests Ordinance (No. 26) repeals the existing law which was enacted in 1936 and re-enacts modern provisions for the protection and management of the forests of the Colony and to regulate the

taking of forest produce. The Exchange Control Ordinance (No. 25) brings the legislation dealing with exchange control into line with the United Kingdom Exchange Control Act, 1947 and confers powers, and imposes duties and restrictions in relation to gold, currency, payments, securities, debts, and the import, transfer and settlement of property. The Crown Proceedings Ordinance (No. 22) revises the law relating to the civil liabilities and rights of the Crown and to civil proceedings by and against the Crown, amends the law relating to the civil liabilities of persons other than the Crown in certain cases involving the affairs or property of the Crown and provides for purposes connected with these matters. The Rubber Industry Replanting Fund Ordinance (No. 28) provides for the collection of cess on export of rubber and for the establishment of a fund into which money collected as cess is to be paid and for various schemes for replanting of rubber lands and for the administration of the fund by the Rubber Fund Board. The Administrative Divisions Ordinance (No. 23) provides for the division of the Colony into Residencies and Districts for the purposes of administration. The Nurses Registration Ordinance (No. 12) provides for registration of nurses.

The following repealing Ordinances not mentioned in the last preceding paragraph were enacted during the year:—

Carriage by Air (Repeal) Ordinance (No. 2), Departmental Fines (Repeal) Ordinance (No. 17), and Red Cross (Control of Use) (Repeal) Ordinance (No. 1).

Other Ordinances of a general nature or relating to particular amendments are as follows:—

Arms and Explosives (Amendment) Ordinance (No. 9),
Application of Laws (Amendment) Ordinance (No. 21),
Criminal Procedure Code (Amendment) Ordinance (No. 4),
Interpretation (Amendment) Ordinance (No. 13),
Land (Amendment) Ordinance (No. 24),
Medical Registration (Amendment) Ordinance (No. 7),

Midwives (Amendment) Ordinance (No. 5),
 Municipal and Urban Authorities (Amendment) Ordinance
 (No. 3),
 Native Courts (Amendment) Ordinance (No. 27),
 Pensions (Amendment) Ordinance (No. 18),
 Police Force (Amendment) Ordinance (No. 19),
 Rubber Fund (Amendment) Ordinance (No. 15),
 Trustee Investment in North Borneo Government Securities
 (Amendment) Ordinance (No. 11),
 Women and Girls Protection (Amendment) Ordinance (No. 6),
 Widows' and Orphans' Pensions (Amendment) Ordinance
 (No. 16),
 Income Tax (Amendment) Ordinance (No. 29), and
 The usual Appropriation Ordinances.

Justice, Police and Prisons

JUSTICE

THE main structure of the North Borneo system of law consists of Ordinances; these are enacted by the Governor with the advice and consent of the Legislative Council. There are still in force a number of Ordinances of the former State of North Borneo and a few Proclamations of the British Military Administration. The law in Labuan, which for historical reasons formerly differed in many respects from that of the Mainland, has now been brought into line either by applying Ordinances of the former State to Labuan or, occasionally, by applying Straits Settlements legislation to the Mainland. A large number of Straits Settlements Ordinances which applied to Labuan have also been repealed. The basis of the criminal law is the Indian Penal Code with certain modifications. By the Application of Laws Ordinance, 1951, it is provided that, save in so far as other provision is made by the written law in force in the Colony, the common law of England and the doctrines of equity, together with statutes of general application as administered or in force in England at the commencement of the Ordinance, shall be in force in the Colony.

The Courts functioning throughout the Colony for the administration of civil and criminal law are as follows:—

- (1) The Supreme Court of Sarawak, North Borneo and Brunei, comprising:—
 - (a) The Court of Appeal;
 - (b) The High Court; and
- (2) The Magistrates' Courts, comprising courts of—
 - (a) Magistrates of the First Class;
 - (b) Magistrates of the Second Class; and
 - (c) Magistrates of the Third Class.

Five Sessions of the Court of Appeal were held at Jesselton during the year. Judges came from Sarawak in order to constitute the Court. The Judge in North Borneo has also visited Kuching, Sarawak, as a member of the Court of Appeal there. The High Court sits chiefly in Jesselton but has also visited various districts on circuit. There is only one Judge resident in the Colony.

There are gazetted twenty-six Magistrates of the First Class, nine Magistrates of the Second Class and fourteen Magistrates of the Third Class. Several Magistrates, however, are seldom called upon to exercise magisterial functions. There are no full-time magistrates and all magistrates are drawn from the Administration.

In the High Court the commonest type of civil suit is for the recovery of debt, where the value in dispute exceeds the limit of the jurisdiction of a First Class Magistrate. That limit is five hundred dollars, except in the case of a few Magistrates on whom has been conferred jurisdiction up to one thousand dollars. In the Magistrates' Courts almost all the civil suits are for the recovery of debt within the limits of the Magistrates' jurisdiction. A record of the work of the Courts of the Colony during 1954 will be found in Appendix IX.

Distinct from the Magisterial Courts are the Native Courts of which there are 35 in the Colony. These Courts adjudicate on all applications for the administration or distribution of small native estates, and cases arising from the breach of native custom and religious law. An appeal lies to the District Officer, who also has the power of review and revision. From the District Officer an appeal lies to the Resident with a final appeal to the Governor. During the year a total of 2,123 cases and applications were heard by the Native Courts. There were 54 appeals to District Officers, ten to Residents and three to the Governor.

POLICE

Organisation

The Force Headquarters is at Jesselton where the Police Depot, including the Training School, is also situated.

For police administration purposes, the Colony is divided into two divisions, the East Coast Division, commanded by a Divisional Superintendent and the West Coast Division, directly under headquarters.

Strength

The diversity of peoples inhabiting North Borneo is reflected in the Police Force. The backbone consists of 585 Dusuns drawn from various districts. There are also 184 Muruts, while Bruneis, Malays, Kedayans and Bajaus between them number 128. There are 19 Chinese. Other races represented are Dayak, Bisaya, Illanun, Suluk, Javanese, Sikh and Pakistani. There was an over-all decrease in strength of two men, leaving the Force fourteen understrength.

		Estab- lishment	Strength on 1/1/54	Strength on 31/12/54
Gazetted Officers	...	20	17	18
Inspectors	...	18	13	14
Sergeant Majors	...	7	6	6
Sergeants and Lance Sergeants		45	45	44
Corporals	...	42	42	41
Lance Corporals	...	60	59	55
Constables	...	740	744	744
Detectives and P.I.Es.	...	40	35	35
Rural Constables	...	30	29	32
Teacher	...	1	1	1
Serang and Engineers	...	4	4	3
		<hr/>	<hr/>	<hr/>
TOTAL	...	1,007	995	993
		<hr/>	<hr/>	<hr/>

Recruitment and Training

Recruits to the Force were again of a higher educational standard than in the immediate post-war period. There were 199 applicants of whom 126 were accepted. The minimum educational standard required is normally Primary III, but during the year several Muruts of outstanding physique, but with no formal education, were enlisted, and by extra schooling were enabled to catch up with the other recruits before completion of the nine months' basic course at the police training school. This course

includes reading and writing in Malay up to a more advanced standard, the learning of simple English phrases, instruction in the laws of the Colony, general knowledge and such active pursuits as physical training, foot drill, arms drill, weapon training, riot drill, fire drill and first aid. Of 170 recruits who were in training during the year twenty were discharged as unlikely to become efficient.

English evening classes at the Depot were provided by the Education Department and the response was excellent.

Police Reserve and Special Constabulary

The Police Reserve consists of men who have served not less than three years in the Police Force. Its members engage for three-yearly periods and receive a small quarterly bounty. At the end of the year there were 152 men on the strength as compared with 122 at the end of 1953.

The Special Constabulary is composed of local volunteers and has units at Jesselton, Sandakan, Tawau, Labuan and Lahad Datu. The strength at the end of the year was 108—one Superintendent, three A.S.Ps., three Inspectors and 101 Other Ranks.

Discipline, Health and Welfare

The general standard of discipline is good, and there was a considerable decrease in the number of orderly room cases during the year, disciplinary action being taken in 420 cases (including 12 dismissals) as compared with 785 in 1953.

The health of the Force remained satisfactory. There was one death and six men had to be discharged as medically unfit. The number who received sick leave was 1,377 as compared with 1,982 in 1953. Of these 274 were admitted to hospital. The total number of man days lost owing to sickness was 4,389 as against 4,781 in 1953.

The welfare of the rank and file is a matter of great importance to the officers of the Force. Considerable emphasis is also laid on games and sports. Police canteens functioned satisfactorily and at the Depot a new shop was completed, which is well stocked and of great value especially to the married men with families. The shop was constructed from the profits made from canteens

over the previous two years. The welfare clinic at the Depot functioned well, and two dressers and a midwife who live in barracks, are on call when needed.

Transport and Communications

The motor transport of the Force consisted of five vans (three of which are fitted with V.H.F. radio), one weapon carrier, seven Land Rovers, eight motor cycles and two 2-ton lorries. Sea and river transport consisted of one 72-foot launch—the Segama—and twelve smaller craft. Radio communications in the East Coast Division were improved.

Buildings

At Sandakan a new police station was completed and substantial reconstruction was carried out to the Divisional headquarters. Elsewhere rural police stations were built at Kunak and Tambisan on the East Coast, and the construction of new barracks was begun at Labuan and Papar.

Traffic Control

In addition to their ordinary police duties the police are responsible for the control of traffic, for the registration and licensing of motor vehicles and for the testing and licensing of drivers.

There was a slight decrease in the number of traffic offences in spite of a marked increase in the number of vehicles and drivers on the roads.

Immigration

Another responsibility of the police is that of immigration control, an important duty being to maintain a check on persons who have been allowed to enter the territory for a specified period of time on "limited" entry permits and to ensure that they do not remain in the Colony illegally. Preparations were made for the police to take over all immigration duties from the Department of Immigration and Labour (renamed the Department of Labour and Welfare) on 1st January, 1955.

Crime

The Colony continued to be remarkably free from serious crime. 3,167 reports requiring action were received compared with 3,112 in 1953 and 2,039 convictions were obtained in 2,369 cases brought to court, as compared with 2,083 convictions in 2,301 cases in 1953. The number of persons convicted was 2,480 compared with 2,846 in 1953. Compared with 1953 there were more offences against property, while offences against the person remained at the same level. Comparative figures for 1951—1954 are:—

	1951	1952	1953	1954
Offences against the person ...	189	104	62	63
Offences against property ...	794	674	553	618

Detailed crime statistics are to be found in Appendix XI.

During the year the Criminal Records Office received 842 finger-print enquiries from which 114 previous convictions were traced. 704 new sets of fingerprints were added to the registers.

Piracy

On the evening of the 29th March the township of Semporna on the East Coast was raided by a party of 40 Suluks from the Philippines, who landed from native craft powered by outboard engines armed with automatic weapons and other firearms. Property to the value of \$70,000 was plundered in the raid and six people were killed including an officer of the Forest Department and three members of the local police detachment who met their deaths while offering gallant resistance. The conduct of the police on this occasion was recognised by two awards of the Colonial Police Medal for Gallantry, one of which was a posthumous award to the Sergeant in charge of the post. The Forest Officer was posthumously awarded the Queen's Commendation for Brave Conduct.

PRISONS

Prisons and lock-ups are under the control of the Commissioner of Police, who is also Inspector of Prisons.

Admissions

During the year 546 persons were committed to prison as compared with 748 in 1953. The decrease can be partly attributed to the fact that there were fewer persons convicted in 1954 than in 1953. The comparative figures are as follows:—

	1953	1954
Men	727	521
Women	21	20
Juveniles (Boys)	8	5
Juveniles (Girls)	—	—

The five juveniles were all convicted of theft. One was sent to the Boys Home at Kuching, and the transfer there of three others was pending at the end of the year.

Prisons and Prison Staff

The new central prison at Jesselton, which was completed in 1953 can accommodate 188 men and ten women prisoners. A new lock-up in Sandakan has been completed. The smaller Government stations have lock-ups of which there are fifteen in all. Only prisoners who have been sentenced to less than six months are kept there. Others, and the majority of women prisoners, are transferred to the central prison at Jesselton.

At the end of 1954 the prison staff numbered 50. (17 under the total establishment of 67) and consisted of two gaolers, three chief warders, 23 warders, three probationary warders and two wardresses, fifteen outstation warders and two clerical officers.

Prison Discipline, Health, Training and Welfare

Prison discipline was again good. There was one escape compared with seven in 1953. The health of the prisoners continued to be satisfactory, the daily average on the sick list being 6.45 as compared with 7.76 in 1953. Sixty-four prisoners were admitted to hospital.

There were two executions during the year and one prisoner died from the effects of an accident.

Prisoners can earn a remission of one-third of their total sentence provided that the sentence is over one month. The remission rate is less generous for prisoners convicted for the second time and who are under a sentence of two years or more. Remission is not granted to persons who have been sentenced to imprisonment in lieu of payment of fine.

An earnings scheme which provides funds whereby good conduct prisoners can purchase small luxuries such as tobacco and sweets, was introduced in 1954. Trade shops for carpentry, tailoring, tinsmith, blacksmith and rotan work were maintained in the central prison. There was an increasing output from the prison garden at Jesselton, which was started in 1953, and it is hoped that eventually it will supply the civil hospital as well as the prison with vegetables.

The prison and lock-ups are regularly inspected by Visiting Justices who are appointed by the Governor and whose powers and duties are prescribed by law.

The Prison Visiting Committees which were set up in 1953 under the chairmanship of District Officers functioned well, and made a number of useful recommendations. At the central prison religious instruction was given by representatives of the Churches and a small band of volunteer helpers. The prison hospital is visited daily by a doctor or dresser and medical assistance is available when required. A film show is given once a month and a library service for prisoners has been established.

Juvenile Delinquents

There is little juvenile delinquency and although the problem of the treatment of young offenders is not minimised it is not a pressing one. Under the Criminal Procedure Code first offenders may be released on probation, and wide use is made of this provision by Magistrates when dealing with juveniles. It has not yet been considered necessary to set up a special children's court or to build a remand home. By an agreement with the Sarawak Government juveniles who have been committed to prison are in most cases sent to a Boys' Home at Kuching. At the end of the year there were three boys from the Colony receiving corrective training at the Home.

Public Utilities

WATER

IN rural areas drinking water is obtained from wells, ponds and rivers, supplies generally being ample but subject to contamination. In the main centres water supplies continued to be taxed to their full capacity on account of urban expansion and increased demand from shipping in the ports. The 1954 programme was mainly confined to the carrying out of plans made in 1953. Consultants are being engaged to advise on a long-term scheme for Jesselton. The position in the principal towns during 1954 was as follows:—

Jesselton

In the past Jesselton has relied entirely for its supply on a reservoir with a capacity estimated at 40,000,000 gallons. The water was not filtered but pumped to a high level storage tank of 40,000 gallons capacity, where simple chlorination took place before distribution. The supply was not sufficient to meet the full demands during dry periods, and in 1953 a supplementary scheme, involving pumping from a stream to the service reservoir, was completed. At the same time a purification plant to deal with the whole supply was installed. During the year under review a new booster station near the town was completed to improve the distribution of the supply and to enable a 24-hour service to be run from the purification works. This plant, because of the considerable quantity of suspended matter in the source of supply, became clogged and had to be re-sanded. The opportunity was taken to modify the settling tanks to give a more efficient outturn.

Local storage in the Kapayan area was improved by the construction of an additional 6,400-gallon Braithwaite tank, and work was started on a 250,000-gallon reservoir, which will eventually serve the suburban area of Tanjong Aru and form part of the final scheme for the whole Jesselton area.

Consumption during the year was approximately 119 million gallons, as compared with 107 million gallons in 1953.

Sandakan

Sandakan continued to be supplied from the stream at Batu Lima, from which water is pumped to a service reservoir of 145,000 gallons capacity. The supply is augmented by small reservoirs at Dingle Dell and the old hospital site, but their contribution is small and they will eventually cease to form part of the public supply. The water is chlorinated but not filtered. The three new electric pumps ordered in 1953 were installed and made it possible to give a 24-hour supply to most domestic users and an unrestricted supply to shipping. 7,500 feet of gravity mains were laid from the waterworks to the hospital. An order was placed for the rehabilitation of filter beds which were in use before the war, and for treatment plant, and it is hoped that by the end of 1955 a fully treated supply will be available for all consumers.

Five holes were bored in an attempt to find new supplies of water, but only two have proved productive. They will, however, result in an additional 200,000 gallons a day as soon as the requisite pumps, which are on order, have been installed.

New recorders were fitted during the year and indicated a consumption of some 82 million gallons, as compared with the estimated consumption of 70 million gallons in 1953.

Labuan

The Labuan water supply continued to be drawn from nine bore holes, each approximately 200 feet in depth, which were sunk by the Australian forces during the liberation period. 10,000 feet of useless piping were replaced with 4-inch and 6-inch AC mains. A pre-war tank tower built of structural steel was repaired in readiness for the installation of a sectional tank as soon as this is available. Consumption recorders were installed and some 37 million gallons of water were consumed.

Kudat

At Kudat the supply is pumped from wells sited at about $1\frac{1}{2}$ miles from the town. Some improvement was effected by re-opening a disused well and equipping it with a small diesel

pump, but the supply remains inadequate. A boring programme is being undertaken in an attempt to discover additional water, but by the end of the year had met with no success.

Lahad Datu

The supply is pumped from a nearby river to an overhead storage tank and distributed by gravity. The system continued to operate satisfactorily.

Tawau

The temporary scheme which was installed in 1953 following the disastrous fire of that year, worked well, but the supply is untreated river water liable to pollution. Work was started on a new permanent supply to provide 250,000 gallons of fully treated water a day. The overhead sectional tanks and supporting steel work remain to be delivered, and it is not expected that the supply will be in operation until the end of 1955.

Tuaran

The present supply is drawn from a river liable to pollution. The final plan for a new water works was completed, and tenders were called. Filters and pumping plant have been ordered. In anticipation of the new scheme, a storage reservoir of 50,000-gallon capacity and staff quarters were built during the year.

Other Towns

The piping for gravity schemes at Beaufort and Keningau had been delivered by the end of the year, and work at both these places is expected to start shortly.

ELECTRICITY

Government Power Stations

A new Power Station was completed at Jesselton during the year with a total capacity of 1,650 K.W. Concurrently a revised tariff rate was introduced. This provides for a flat rate of 45 cents per Kwh. for ordinary domestic lighting and power, or, alternatively for an all-in domestic tariff comprising a fixed monthly charge based on the number of habitable rooms (or in certain cases a charge based on the floor area) plus a charge of 12 cents per Kwh. consumed. This alternative method favours the large domestic consumer and is designed to encourage the consumption

of electricity, through the use of electric cookers, irons, water heaters and the like, in order that the capacity of the new power station may be utilised as fully as possible. The charge for commercial power and heating is 20 cents per Kwh., and for industrial power and lighting 20 cents per Kwh. for the first 2,000 Kwh., and thereafter 12 cents per Kwh. (Arrangements made for the installation of bulk oil storage at Jesselton by early 1955 will materially reduce the price at which electricity can be generated.) Distribution is by alternating current at 6,600 volts and by a three phase 400/230 volts at 50 cycles per second. At the end of the year there were 636 domestic and 432 commercial and industrial consumers. Total consumption for the year was 655,338 units.

At Labuan the capacity of the power station is to be increased to a total of 460 K.W. There was considerable progress during the year both in re-wiring and in the provision of new power by the transfer of surplus plant from Jesselton. A 24-hour service was introduced, but the dock strike in the United Kingdom in October delayed the delivery of H.T. equipment which meant that during the peak period the supply was at a reduced voltage. At the end of the year, there were 262 consumers. The total consumption was 87,591 units. The tariff is 45 cents per unit for lighting and 20 cents a unit for power.

At Tuaran, it was decided to increase the installed capacity from 50 K.W. to 82 K.W., which will enable a 16-hour service to be given to consumers and provide adequate power for the water pumping station for the town water supply. Consumption amounted to 19,534 units and there were 91 consumers at the end of the year. The tariff is 50 cents a unit.

Commercial Power Stations

The Sandakan Light & Power Co. (1922), Limited, continued to supply Sandakan with electricity. Its power station has a transmission voltage of 6,600 and a capacity of 1,196 K.W., to which a further 750 K.W. set was being added at the end of the year. Small plants operated by private enterprise gave public supplies at Kudat, Papar and Tawau with installed capacities of 50 K.W., 22.5 K.W., and 22.5 K.W., respectively.

Communications

HARBOURS AND SHIPPING

Ports

THE principal ports in order of tonnage handled during the year are Sandakan, Labuan, Tawau and Jesselton, all of which have good anchorages for ocean-going ships. Sandakan is the main transshipment port for the East Coast and is also the centre of the timber industry, while Labuan is the transshipment port for the Brunei Bay area including the oilfields at Seria. Tawau lies to the south-east, and its importance is growing with the development of the timber industry in that area. Jesselton, the capital of the Colony and the only port of any size other than Labuan on the West Coast, is also the terminus of the railway which serves the coastal plain of the West Coast and the Interior.

Other ports are Kudat in the north; Lahad Datu on the East Coast, which serves the Darvel Tobacco Plantations, Ltd., and is the official port of entry for vessels loading timber at Kennedy Bay and Bohian Island; and Semporna (also on the East Coast) which is mainly a fishing port.

Wharfage available during 1954 was as shown below:—

Port	Frontage	Capacity
Labuan	1025 feet	One ocean-going and 4 coastal vessels
Sandakan	650 "	One 3,000-ton and 2 coastal vessels
Jesselton	328 "	One 3,000-ton and 1 coastal vessel
Tawau	155 "	One 3,000-ton vessel (using mooring dolphins)
Kudat	123 "	One 3,000-ton vessel (using dolphins and buoy)
Lahad Datu	80 "	One coastal vessel
Semporna	40 "	One coastal vessel maximum 500 tons (using mooring dolphins)

Good progress was made with the programme for the reconstruction of the main wharves at Labuan, Jesselton and Sandakan, almost half the cost of which is being financed by the U. S. A. Foreign Operations Administration. The 600-foot wharf at Labuan was completed and ocean-going ships can now berth with a least depth alongside of 24-foot at low water spring tides. Work on the construction of a new 750-foot wharf at Sandakan began in October, and will be completed in 1955, and tenders were called for the rebuilding of the Jesselton wharf.

14,249 vessels, of which 1,316 were ocean-going and 12,933 coastal, with a total gross tonnage of 3,961,911, an increase of 619,517 compared with 1953, entered and cleared the ports of the Colony during the year. 737,732 tons of cargo were handled against 580,126 tons in the previous year and 571,643 tons in 1952. Passenger embarkations and disembarkations numbered 72,173, which is 2,012 less than in 1953. A table giving detailed figures for the individual ports during 1953 and 1954 is at Appendix XIII.

Shipping Services

The shipping services operating during the year were as follows:—

The Straits Steamship Co. — A regular weekly cargo, passenger and mail service from Singapore calling at Labuan, Jesselton, Kudat and Tawau.

The Indo-China Steam Navigation Co. — A weekly service to Labuan, Jesselton, Sandakan and Tawau from Hongkong.

The China Siam Line — A fortnightly service to Labuan, Jesselton, Sandakan and Tawau from Hongkong and Japan.

The Glen Line	} United Kingdom and European ports.
The Blue Funnel Line	
The Ben Line	

The Bank Line — South African ports.

The Eastern & Australian Steamship Co. — Japanese and Australian ports.

The Australian West Pacific Line — Japanese and Australian ports.

The Royal Interocean Line	—	Australian, Indonesian and Thailand ports.
The American Mail	—	U.S.A. ports.
The Netherland Royal Dutch Mail	—	United Kingdom and European ports.
The Royal Rotterdam Lloyd	—	United Kingdom and European ports.
The Anglo-Saxon Petroleum Co., Ltd.	—	Bulk petroleum to Labuan.
The N.B.T. Shipping Co., Ltd.	—	A single vessel service to Singapore/Hong Kong.
The Hong Kong Transportation Co., Ltd.	—	Ocean tugs and lighter service between Labuan and Singapore.

In addition, numerous miscellaneous chartered vessels loaded timber at East Coast ports.

Coastal Shipping

The Straits Steamship Company maintained a coastal service connecting with their mainland vessels (principally between Labuan and Brunei Bay ports) of six 200—500-ton vessels, two powered lighters and three dumb lighters with tugs. Six lighters and four towing units owned by the Hongkong Transportation Company and based in Labuan, were used in the Brunei Bay area carrying stone to Labuan and cargo from Labuan to the oil port of Kuala Belait. Three vessels belonging to Messrs. Liddel Bros. & Co. carried stone and timber from Brunei to Labuan and Jesselton, and Messrs. Lo Bros. and Reynall Transportation Company operated one 300-ton LCT type craft and two 200-ton vessels between Labuan and Brunei and Sarawak ports. A fleet of eleven LCT type 300-ton vessels continued to be used solely by their owners, The British Malayan Petroleum Co., between the transshipment port of Labuan and the oilfields at Brunei and Sarawak. The same Company maintained a 5000-ton storage lighter at Labuan for ocean vessel cargo storage. On the East Coast 131 barges, lighters, launches and tow units, totalling 8,915 gross tons, were in use by the timber industry.

Navigational Aids

A new light with a range of 15 miles, was established at Tanjong Labian on the East Coast to assist vessels rounding the Dent Peninsula. On Jahat Shoal, 15 miles off the coast between Labuan and Jesselton, a light was erected on an experimental structure of steel piles. If this proves able to withstand heavy seas, other outlying dangers will be similarly marked. Electric port lights of a modern pattern were installed at Kudat, Tawau and Lahad Datu.

In the Malawali Channel Her Majesty's Survey Ship *Dampier* continued her hydrographic survey and found several more previously uncharted shoals. As a result of her discoveries a new light buoy has been placed near Lankayan Island, and the position of a recently discovered pinnacle rock is now indicated by a mark buoy.

Government Vessels

Twelve Government sea-going vessels were in use during the year, of which six were administrative launches and the remainder belonged to other Departments. A fresh outbreak of piracy on the East Coast made it necessary to increase the number of anti-piracy patrols already being carried out by police and customs launches, and administrative launches were diverted from their normal duties for this purpose. Marine Department vessels engaged on the maintenance of lights, buoys and beacons steamed 15,000 miles during the year.

Registration of Shipping

Comparative figures showing the number of ships registered as at the end of 1954 and 1953 are as follows:—

	1953		1954	
	Vessels	Gross Tonnage	Vessels	Gross Tonnage
Colony registry of British ships (Merchant Shipping Act of 1894)	7	3,613	18	5,883
Local registry (vessels exceeding 10 tons not having a British registry outside North Borneo)	146	8,845	167	10,351

In addition 10,162 small local craft, of which 5,494 were fishing boats were registered and licensed under the Boats and Fisheries Ordinance, 1914. The corresponding figures in 1953 were 9,928 craft of which 6,428 were fishing boats.

Miscellaneous

Ninety-one certificates of competency for local masters, mates and helmsmen, 82 certificates of competency for engine drivers, 156 survey certificates for marine service and registration, and 65 passenger licences were issued during the year. A total of 1,372 ships' officers and men, as compared with 936 in 1953, were engaged or discharged under articles of agreement before the Superintendents of Shipping at Labuan and Sandakan.

Ship Repair Facilities

Slipping and repair facilities are still inadequate. A 500-ton slipway owned by the British Borneo Timber Co., Ltd., at Sandakan is used mainly for the servicing of the Company's own vessels. The Government slipway at Labuan dealt with approximately 108 vessels, totalling 3,732 tons, the majority being launches owned by the Governments of North Borneo, Sarawak and Brunei. In addition, about 276 odd repair jobs were carried out on commercial vessels moored at the workshop repair jetty.

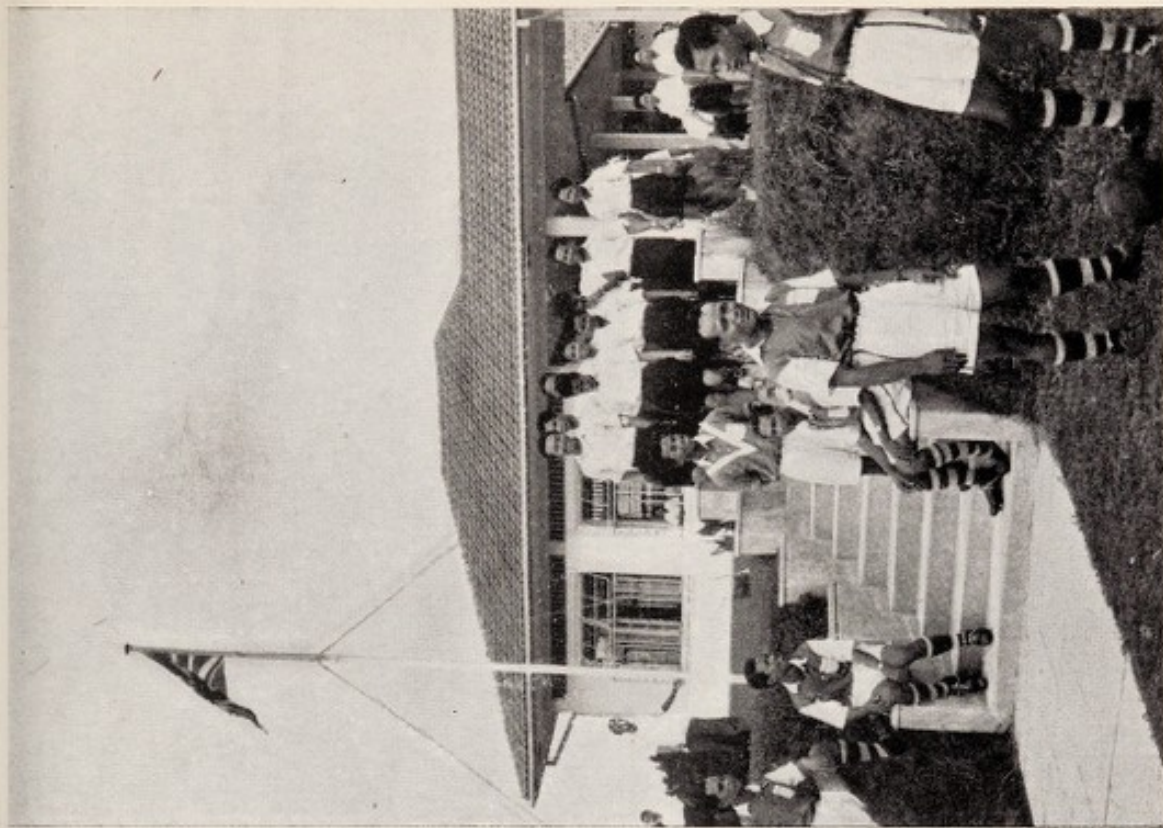
RAILWAYS

The Government-owned metre-gauge Railway provides the principal means of communication along the West Coast of the Colony and to Melalap in the Interior, and has been an important factor in the development of these areas. Starting from Jesselton, it serves the districts of Putatan, Kinarut, Papar, Kimanis, Bongawan, Membakut and Beaufort passing through a well populated countryside and serving many rubber estates. The line continues up the Padas River Gorge to the agricultural district of Tenom and beyond to Melalap, from which place an earth road connects with Keningau and Tambunan. From Beaufort a branch line, 20 miles in length, runs down to the coast at Weston, a small port in Brunei Bay. This branch serves further rubber estates and smallholdings.



(Central Office of Information)

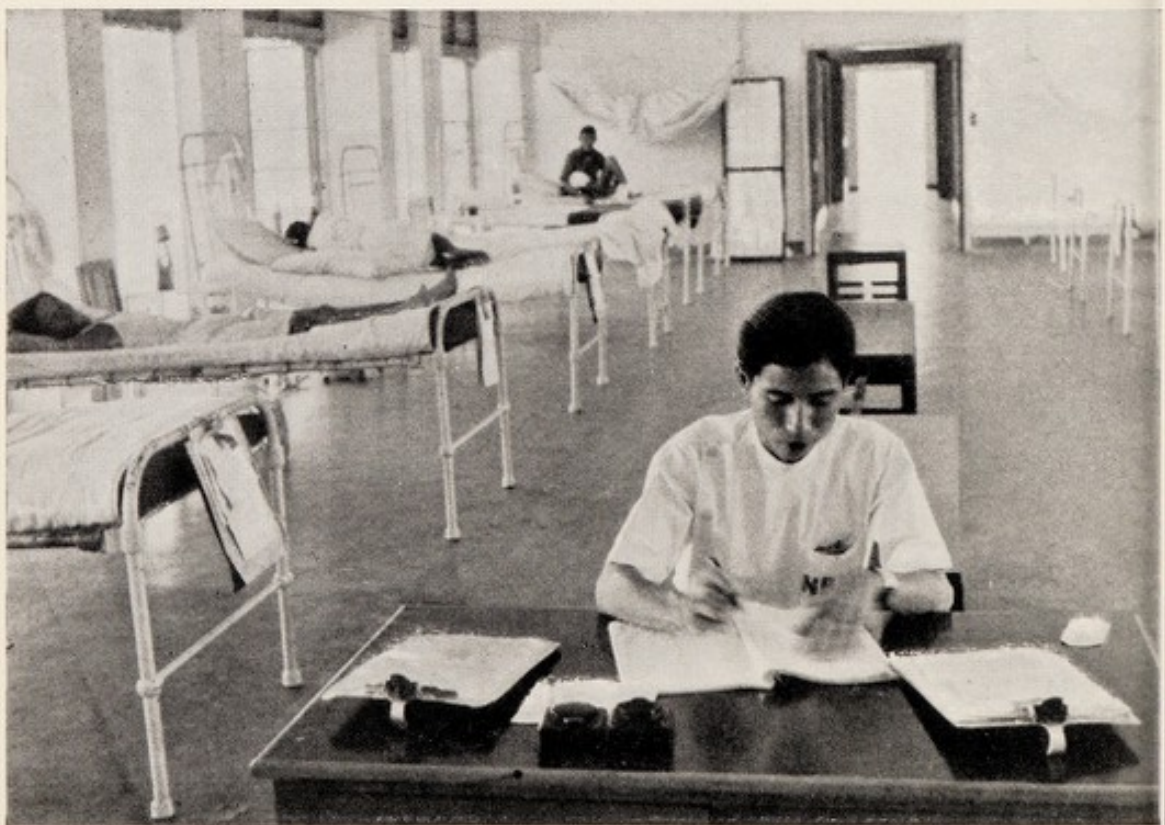
Kent College Student activities — 116 students are training to become teachers at this College at Tuaran.



(Central Office of Information)



(Central Office of Information)
Duchess of Kent Hospital, Sandakan.



One of the wards. (Central Office of Information)

The total length of the railway is 116 miles. The Beaufort-Weston section was first opened in 1900, and the line was extended to Jesselton and to Tenom in 1905. The whole system together with locomotives, rolling stock, machines, tools and general equipment degenerated from lack of maintenance and renewal during the enemy occupation period from 1942 to 1945, and also sustained severe damage from Allied bombing.

By the end of 1952 considerable progress had been made towards the rehabilitation of the system. The main line between Jesselton and Beaufort had been relaid with 60-lb. rail, all major bridges, including the 3-span bridge at Papar, had been repaired or rebuilt and the Pengalat tunnel widened and deepened to allow the use in future of standard metre-gauge locomotives and rolling stock. All this, to which must be added a limited rebuilding and replacement programme, constituted a great improvement, but much still remained to be done if there was to be an assurance of efficient and economic operation in the years ahead.

Accordingly a programme to complete reconstruction and to provide a measure of development was drawn up in 1953 and was submitted for approval to be carried out during the years 1954-1959. A good start was made with the programme during 1954.

Orders were placed for new locomotives and rolling stock and for permanent way materials for the relaying of the section between Beaufort and Tenom in 60-lb. rail, and preparations were made to re-align and regrade this difficult section in the Gorge of the River Padas. When this section is completed, it will be possible for through trains to run between Jesselton and Tawau, and it will no longer be necessary to maintain the yard and workshops at Beaufort at present needed because the difference in the standard of track between Beaufort and Tenom on the one hand and Beaufort and Jesselton on the other necessitates the use of different locomotive units on the two sections. The permanent way between Beaufort and Jesselton was improved by standardization of the formation and drainage and by re-ballasting. At Beaufort the demolished ferry staging and approaches were rebuilt. The reconstruction and replacement of war damaged and dilapidated buildings continued, includ-

ing goods sheds, workshops, workmen's and staff quarters, and twelve small bridges. The power and rolling stock position was as follows:—

	In Service 1954	Under overhaul	Re- building	Await- ing re- building	Total
Steam locomotives ...	8	—	1	—	9
Diesel locomotives ...	3	—	—	—	3
Petrol locomotives ...	2	—	—	—	2
Railcars (6 seats) ...	4	—	—	—	4
Railmotor sets (52 seats) ...	2	—	—	—	2
Rail Jeeps ...	8	—	—	—	8
Coaching stock ...	21	1	1	—	23
Wagon stock ...	144	18	4	—	166

A 4-6-4 tank locomotive was given heavy engine repairs and rebuilt as a 4-6-0 tender locomotive and another similar conversion is in hand. One petrol locomotive was given a heavy intermediate repair. Three first and second-class composite coaches were renovated and refurnished.

Seventeen wagons were converted to carry permanent way materials and two covered wagons were specially built to transport goods or livestock. The underframes of these latter vehicles were the first all-steel all-welded frames to be fabricated in the Colony. One postal van was renovated and repainted.

The following table shows the traffic carried in 1954 as compared with the two preceding years:—

	Passenger journeys	Passenger miles	Goods tons	Goods tons miles
1954 ...	437,879	6,130,302	33,651	1,578,232
1953 ...	418,000	5,760,000	32,750	1,765,000
1952 ...	469,461	7,757,421	33,726	1,632,270

Approximately half of the freight carried consisted of local products, mainly rubber, timber, and agricultural produce. The comparative figures are:—

	Rubber tons	Timber tons	Agricultural produce tons
1954 ...	7,182	5,227	4,055
1953 ...	7,135	7,641	3,349

Comparative revenue figures for 1953 and 1954 are set out in the table below:—

	1953 — actual	1954 — actual
Passenger ...	\$ 481,943	\$ 477,891
Goods ...	579,272	592,978
Parcels ...	19,942	22,282
Mail ...	3,720	3,720
Livestock ...	7,399	11,092
Miscellaneous ...	28,677	101,521
	<hr/> \$ 1,120,954	<hr/> \$ 1,209,484

The satisfactory increase of \$88,500 in general revenue can be attributed to a slight increase in prosperity on the West Coast due to a rise in the price of rubber, to improved methods of traffic inspection and control, and to sales of scrap and obsolescent materials.

Re-current expenditure during the year which included a provision of \$169,000 for renewals — \$19,000 more than was provided in 1953 — exceeded revenue by \$164,000 as compared with a corresponding deficit in 1953 of \$198,000

ROADS

The mileage of roads and bridle-paths in the Colony during 1953 and 1954 was:—

	1953 miles	1954 miles
Metalled roads bitumenised surface ...	172	190
Other metalled roads ...	52	58
Earth roads ...	213	249
Bridle-paths 6' to 8' wide ...	587	560

During the year a committee was appointed to classify the types of roads in the Colony. Subsequently a Road Development Programme was prepared together with a plan for its execution, which will entail the use of heavy plant and equipment and will be financed partly from former Japanese assets, partly from Colony Development and Welfare funds, and partly from loan funds.

In the Jesselton area the reconstruction of the Jesselton-Tuaran road continued. Progress was slow as a result of prolonged heavy rain at a crucial stage. A further $3\frac{1}{2}$ miles of the road to Kota Belud were metalled. In the Papar district nearly eight miles have been completed of the Bukit Manggis Road, which will eventually run $12\frac{1}{2}$ miles from Papar town to the foot of the Crocker Range, and will open up extensive new rice-growing areas. In Beaufort district where extensive reclaiming of land is being undertaken by the Drainage and Irrigation section of the Public Works Department, experiments were made in low-cost road construction, which involved the metalling and sealing of a section of the Kota Klias bund built to keep out flood water from the Padas River. In the Interior as part of a programme to improve road construction between Tenom and Keningau, ten miles of the road running from Tenom to Melalap were gravelled and necessary culverts constructed. At Sandakan a start was made on the construction of a $1\frac{1}{2}$ -mile extension of the Leila Road, from Sandy Plain to Karamunting, to open up a residential area, while at Tawau more than $4\frac{1}{2}$ miles of new road were constructed. Elsewhere in the Colony roadwork by the Public Works Department was confined to the maintenance and improvement of existing roads.

In addition to the foregoing, considerable progress was made with a programme introduced during the year under which bridle-paths are being widened and new earth tracks constructed to a standard which will enable them to be used by jeeps and Land Rovers. These new earth roads will open up land for agricultural development. They are being built under the supervision of the District Officers and are being paid for out of Colonial Development and Welfare as well as Colony funds. The success already achieved is reflected in the increased earth road mileage figures for 1954.

Following an investigation by the Director of Road Transport, Federation of Malaya, in 1952, into the Colony's traffic problems, a Road Traffic Ordinance was enacted in the middle of 1953, one of the main purposes of which was to make possible a re-organisation of the transport services provided for the public. Under the new Ordinance, the Commissioner of Road Transport, who is the Commissioner of Police, has the power to regulate

and control the use of public service and goods service vehicles in any area which has been declared by the Governor in Council to be a regulated area. The two urban centres of Jesselton and Sandakan, including their environs, were declared regulated areas. Individual owners of stage carriage vehicles, both buses and cars, were encouraged to form themselves into transport companies to whom monopoly licences were granted to operate stage carriage services over the main routes. During 1954 larger and better buses were imported by the new transport companies, and the service to the public thereby much improved. Time-tables were also introduced to provide regular and frequent services along designated routes.

Comparative figures showing the number of vehicles, bicycles and drivers licensed are as follows:—

	1950	1951	1952	1953	1954
Motor					
Vehicles	1,580	2,292	2,884	2,677	3,134
Bicycles ...	12,521	16,202	19,739	19,674	22,476
Drivers ...	2,931	3,862	4,458	4,479	5,255

AIR COMMUNICATIONS

Air Services

In June Malayan Airways increased the number of their services from Singapore to six a week, of which five terminate at Sandakan and the sixth at Jesselton. In November the Company introduced tourist-class seating in the aircraft operating one of the midweek services, and the result has shown that there is a considerable demand for this standard of service. The Feeder Service inaugurated in 1953 by Malayan Airways as a joint venture with the Government has proved of great value. From 13th March to 16th May, however, the two aircraft operating this service had to be withdrawn for modification. As a result plans for additional flights over the routes already established and for the extension of the service to three airstrips in the State of Brunei could not be put into effect until November. The service was also extended to include calls at Lahad Datu, between Sandakan and Tawau, on the completion of the airstrip there towards the end of the year.

During the year there were 8,529 movements of aircraft at the three main airfields (as compared with 6,457 in 1953), of which 5,154 were at Labuan, 2,122 at Jesselton and 1,253 at Sandakan. The average for the Colony was 710 movements a month. A table will be found at Appendix XIV giving details of movements of traffic, and passenger and freight statistics on the international routes. The international and internal services in operation at the end of the year were:—

INTERNATIONAL AIR SERVICES

<i>Company</i>	<i>Aircraft</i>	<i>Route</i>	<i>Frequency</i>
*Qantas Empire Airways	Douglas DC 4	Australia — Labuan — Hongkong — Tokio	Once weekly in each direction.
Malayan Airways	Douglas Dakota	Singapore — Kuching — Sibu — Labuan — Jesselton — Sandakan	Six times weekly in each direction (one service terminates at Jesselton).
†Cathay Pacific Airways	Douglas Dakota	Hongkong — Manila — Sandakan — Jesselton — Labuan — Manila — Hongkong	Twice weekly.
Garuda Indonesian Airways	Convair 340	Djakarta — Labuan — Manila	Once weekly in each direction.

* Service temporarily suspended in November pending improvements to the runway at Labuan.

† No traffic rights inside Borneo.

INTERNAL FEEDER AIR SERVICE

(Operated by Malayan Airways Ltd., with de Havilland Rapide 8-seater aircraft)

<i>Route</i>	<i>Frequency</i>
Sandakan — Lahad Datu — Tawau	Twice weekly in each direction.
Sandakan — Kudat — Jesselton	Twice weekly in each direction.
Jesselton — Ranau	Five times weekly in each direction.
Jesselton — Labuan	Twice weekly in each direction.
Labuan — Keningau — Jesselton	Twice weekly in each direction.

Aerodromes

Labuan — International Airport, capable of accommodating aircraft up to Douglas DC 4 (Skymaster) Standard. Used by R.A.F. as Staging Post on the route Singapore-Labuan-Manila-Hongkong.

Jesselton and Sandakan — International Airports, capable of accommodating aircraft up to Douglas DC 3 (Dakota) Standard.

Keningau, Ranau, Kudat, Tawau and Lahad Datu — Landing strip for internal services only. Capable of accommodating aircraft up to de Havilland DH 89 (Rapide) Standard.

Certain improvements were carried out to the surface of the runway at Labuan, which prolonged periods of unusually heavy rain together with constant use by heavy aircraft had caused to deteriorate.

Radio Communications

A new transmitting station was established at Labuan as part of the programme to improve aeronautical radio communications. An HF/RT point-to-point communication system between airports has been installed and tested with satisfactory results, and should be in operation early in 1955.

POSTS

The volume of postal business in 1954 was substantially the same as in 1953. A rise in air traffic was offset by a decrease in surface mail. The value of C.O.D. parcels increased by about 10%, but fewer parcels were handled. Although more money orders were issued their total value was less than in the previous year. British postal orders increased both in sale and in encashment.

The first stamps bearing the Royal portrait of the Queen were released for sale, the denomination being 10 cents, 5 cents, 20 cents, 30 cents, one cent and 8 cents issued in that order. The

equivalent stamps with the King George VI portrait were withdrawn from circulation. The revenue from the sale of stamps rose by approximately \$26,000.

The Internal Feeder Air Service which started in May, 1952, was again extensively used for the carriage of internal mails.

New metal post office boxes were fitted at Tawau, Tenom, Kudat, Tuaran and Papar.

TELECOMMUNICATIONS

Telegraphs

All internal telegrams and those for Brunei and Sarawak are transmitted by the Telegraph Section of the Posts and Telegraphs Department. Telegrams for overseas are transmitted by Cable and Wireless, Ltd., who, in Jesselton, receive over their counter and deliver the telegrams sent on their circuits. Elsewhere this service is performed by the Posts and Telegraphs Department.

Internal wireless telegraph circuits were operated from Jesselton to Labuan, Ranau, Kudat and Keningau and from Sandakan to Lamag, Lahad Datu and Tawau. A direct circuit from Sebatik Island to Jesselton was installed and also a wireless telephone circuit from Sandakan to Semporna. Land line offices were maintained between Jesselton, Papar, Beaufort, Tenom and Keningau. In addition ship-to-shore services were provided from Jesselton, Labuan and Sandakan.

There was an increase in both the number of telegrams transmitted and in the number of words. As the result of a change in the method of payment for overseas telegrams, there was a fall in revenue of about \$36,000 which was offset by a corresponding drop in expenditure.

Radio Telephones

Cable and Wireless, Ltd., continued to provide a radio telephone service from Jesselton to Singapore, Malaya, Hong Kong and Australia. The internal radio trunk services between Jesselton,

Sandakan and Labuan again suffered from a shortage of transmitters which could be used exclusively for this purpose, but arrival of equipment on order is expected shortly for the establishment of a V.H.F. circuit between Jesselton and Labuan via Kuala Penyu. An extensive police network of radio telecommunications was maintained and at Jesselton a tower was erected to support the aerials of the V.H.F. radio-telephone terminal. Propagation tests, using both fixed and mobile equipment, were carried out in various parts of the Colony.

Aeronautical Services

Both point to point and air to ground services at feeder and main airfields were maintained during the year. A radio telephone circuit for the exclusive use of the air traffic control officers was installed at Labuan, Jesselton and Sandakan, but could not be brought into regular use owing to shortage of staff. In consequence a large proportion of civil aviation operational traffic had to be carried over the civil circuits. A new transmitting station was brought into operation at Labuan.

Meteorological Services

The three main reporting stations where wind, temperature, pressure, humidity and rainfall are automatically recorded, have been sited close to the control towers of the aerodromes. Climatological information is collected from all over the Colony and records from 59 stations are published monthly in the *Official Gazette*. Hourly synoptic observations are telegraphed from Jesselton, Sandakan and Labuan to Singapore for the preparation of forecasts, together with upper-wind measurements taken at Labuan and Sandakan.

Telephones

The telephone services were further expanded. The installation of a new and larger automatic telephone exchange at Sandakan enabled the old one to be transferred to Labuan for use there. A considerable quantity of cable was laid in both Sandakan and Jesselton. Tawau is the next town which is to have an automatic telephone system.

To meet the still unsatisfied demand for telephones in the Jesselton area, an extension is planned early in 1955 to the 400-line automatic exchange installed in 1952. In addition a 25-line automatic exchange, the building for which is under construction, will connect with the Jesselton system and serve the growing suburb of Likas.

The total number of telephones increased to 1,092, as compared with 965 in 1953, 743 in 1952 and 639 in 1951.

The Posts and Telegraphs Department continued to be responsible for the technical operation of Radio Sabah, (See page 125).

Government Information Services, Broadcasting, Press and Films

THE main event of the year has been the opening in Sandakan of a new reading room and library. These are housed in the new Administrative Block which enjoys a central position in the town. The need for a library was early proved by the number of readers who joined very shortly after its establishment, and at the end of the year, 396 readers had been registered.

In the meantime in Jesselton the premises, especially converted for the purpose to which the reading room and library were transferred in 1953, have been fully equipped, and at the end of the year there were 1,162 registered readers drawn from all communities compared with 800 in 1953 and 412 in 1952. Gifts received in 1954 included a collection of some 50 reference books from the British Council, and a number of books from the United States Information Service, as well as several private donations.

The popularity of the Jesselton and Sandakan reading rooms and libraries has led to the extension of the service to Tawau and Beaufort. At Tawau the Hong Kong & Shanghai Bank, upon removing into new premises, has generously made available its old building for the purpose, while at Beaufort the reading room is housed in a recently constructed youth centre.

The Jesselton library acts as the central library for the Colony and has distributed book boxes to four outstations. The small travelling libraries thus established and usually combined with reading rooms, have met the needs of outstation students and others. There are altogether 250 outstation readers, which, together with Sandakan and Jesselton, makes a total of 1,808 readers in the Colony.

An important function of the Information Office is to help the local press by supplying it with official news and background information. A press section has been formed and 793 press releases were issued during the year. A large proportion of these related to Government activities, as considerable importance is attached to publicising the Government's achievements, aims and policies. Others, which told of United Kingdom and Commonwealth affairs, were taken from the press service of the Central Office of Information and edited for local use. Most of these releases were published in the English press, adapted for use in radio bulletins of local news and were translated by the Information Office language sections (Chinese and Malay) for use by the vernacular press and in vernacular news broadcasts. Publicity was given to them also in Chinese and Malay news summaries which continued to be published by the Information Office on alternate days. The circulation of these summaries steadily increased during the year. They have been enlivened by the publication of printed pictorial supplements, which have proved very popular.

Other activities of the Information Office include the running of a film library service, the organising of mobile cinema circuits, and in 1954 the planning of a new broadcasting service. The Office also answers enquiries for information and the increasing number of these reflects a growing interest in North Borneo. More visitors came to the Colony than in previous years, and among their numbers were University lecturers, authors, journalists and photographers. Of particular note was the visit of a photographer from the Central Office of Information.

PRESS

The *North Borneo News*, originally a fortnightly and then a weekly periodical, appeared as a daily newspaper in April, 1954, and shortly afterwards amalgamated with the *Sabah Times*, which had begun publication as North Borneo's first English daily newspaper in January, 1953. The combined paper is known as the *North Borneo News & Sabah Times* and enjoys a wide circulation in all the main towns of the Colony. The paper is under the joint editorship of the two former papers, the *North*

Borneo News and the *Sabah Times*. The inclusion of a page of news correspondence in romanised Malay and Dusun has given the paper an appeal to the native communities and thus added to its circulation.

A newcomer to the Chinese press is the *Api Siang Pao* (*Jesselton Commercial Press*), which began publication on the 5th July, 1954. It is published by the proprietor of a progressive local printing works, and already enjoys a wide circulation, particularly in rural areas. The *Hua Chiau Jit Pao* (*Overseas-Chinese Daily News*) which had been established in Jesselton before the war as a news sheet and which can claim to be the first newspaper to be printed daily in the Colony, maintained its usual high standard of journalism.

Kinabalu, a quarterly magazine, devoted to the review of recreational and sporting activities in the Colony, also continued to appear.

BROADCASTING

The experimental transmissions from Radio Sabah have continued and expanded during the year. The programmes have been planned and produced by the Information Office whilst the Department of Posts and Telegraphs has continued to be responsible for the technical installations. The small power of the existing transmitting station, 250 watts, does not give a Colony-wide coverage except during daylight hours and even then is subject to seasonal variation, but a Colonial Development and Welfare Scheme for broadcasting is in a well advanced stage. By the end of the year equipment for a new 5-kw. transmitting station had arrived, and a building to house the transmitter was in the course of construction. New equipment for the studios had also arrived in the Colony and plans for new soundproof and air-conditioned studios were on the drawing board.

Regular programmes during the year consisted of four mid-day English transmissions a week and three both in Chinese and in Malay, with an occasional broadcast in the Dusun language. British Broadcasting Corporation transcription recordings generously loaned by the British Far Eastern Broadcasting Service of the B.B.C., continued to be extensively used, but more programmes

were introduced originating entirely in the studio, and these accounted for 120 hours out of a total of 424 broadcast hours for the year. Of this total 237 broadcast hours were devoted to vernacular transmissions and 187 hours to English transmission programmes.

FILMS

There are 20 cinemas in North Borneo, in addition to 5 travelling projector units which visit small townships and also serve most of the larger estates. The first two cinemas to be built in permanent materials since the war in conformity with the new town plans, were completed during the year, and several others were under construction. Cinemas normally obtain their films from distributors in Singapore. An increasing proportion of these films are in vernacular languages. The average standard of film shown is unfortunately low, and the screening of good British films is infrequent. A valuable service, however, has been the weekly despatch by air of copies of "British News" reels by the Central Office of Information. These are circulated regularly by the Information Office to all cinemas in the Colony and local cinema managements have continued to co-operate in arranging for these and other documentary films to be included in their programmes.

The Information Office cinema unit maintained a regular circuit in and around the Jesselton area. 166 public shows were given and were attended, it is estimated, by some 50,000 people. Even so it has not been possible with existing facilities, to meet the demand from outlying villages. Whenever possible shows were screened in the open air. Apart from films supplied by the Central Office of Information, documentary and educational films were also made available by the kindness of the Malayan Film Unit, the British Council, the Australian Commission, the United States Information Service and other Singapore libraries.

An Australian Film Unit visited the Colony during the year and filmed various projects, which had been the object of assistance from Australia under the Colombo Plan.

13

Geology

Geological Survey Office

THE Geological Survey Office in Jesselton is part of the combined department for the British Territories in Borneo, the senior staff of which comprises seven geologists: of these, the Director is stationed in Kuching, Sarawak, and the Deputy Director, with two more of the geologists, in Jesselton. The junior staff of the Jesselton Office consists of two clerks, two draughtsmen, six field assistants, and an office messenger.

The office is a spacious building of modern design built in permanent materials. The main room is a museum for the display and storage of rock and mineral specimens, maps, and photographs. The displays were viewed by several parties of school children and others during 1954 and provided an excellent means of giving them an elementary understanding of the geological evolution and mineral potentialities of their country. The museum also contains a library of reference books and a collection of records of past geological and mineral exploration. The office building includes a workshop and a laboratory for the preparation and examination of rocks and minerals, and facilities for photographic work and draughting.

Finances

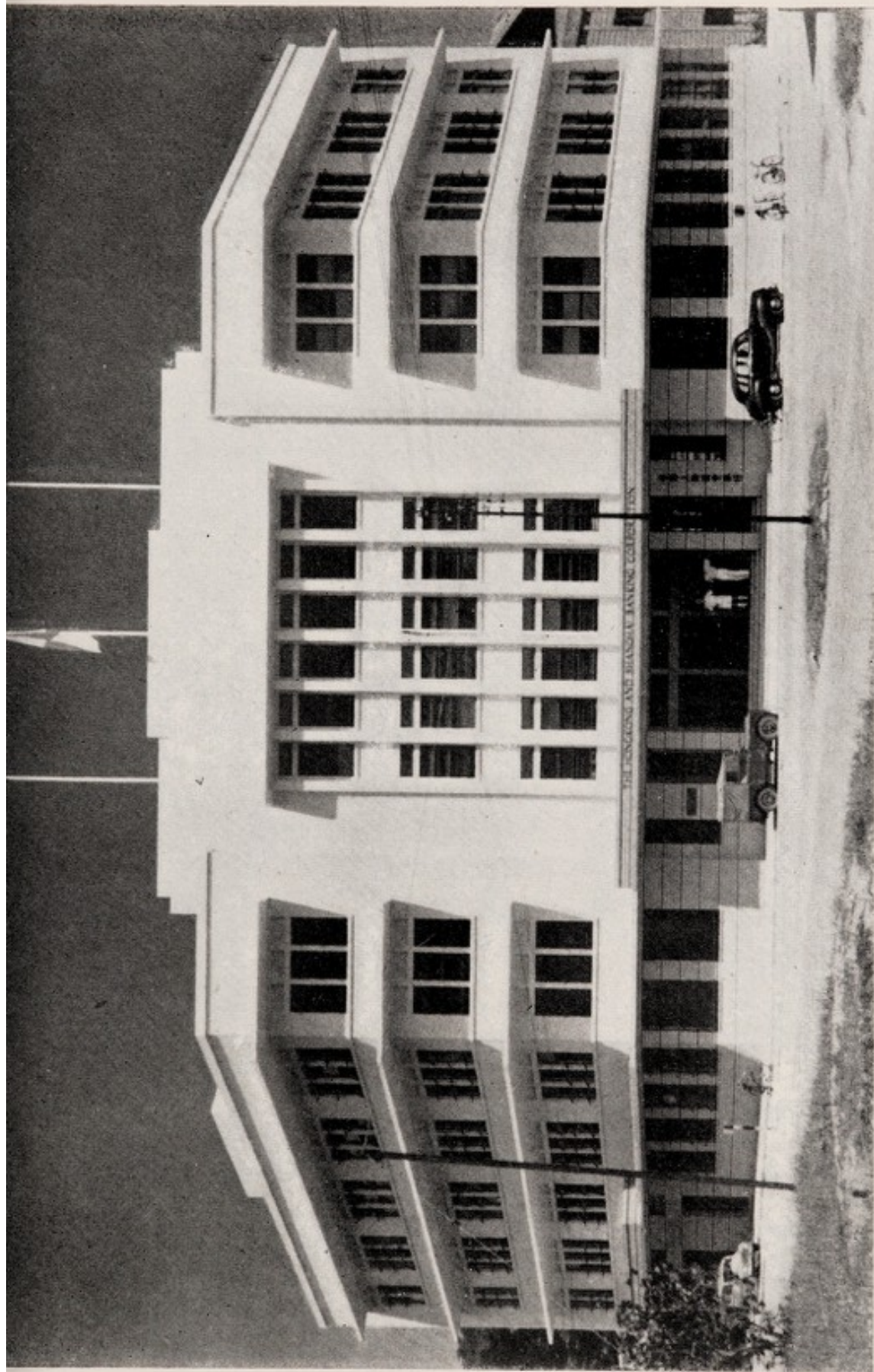
The recurrent expenditure of the combined department is shared between North Borneo and Sarawak, the contribution from the former being met from the Colony allocation of Colonial Development and Welfare funds. Capital expenditure is met from grants from the same funds in London, as was the cost of printing. *The Geology of the Colony of North Borneo*, Bulletin No. 1 of the department, written by Professor M. Reinhard and E. Wenk and published by H.M. Stationery Office in 1951.

General Geology

The oldest rocks known to exist in the Colony are of Upper Cretaceous age, that is some sixty or seventy million years old. They were deposited in fairly deep water in a sea trough which seems to have extended from Japan to New Guinea. During the succeeding Eocene times, the trough was almost filled, mainly with sandstone and volcanic materials. The crust then suffered a structural failure during which part of the infilling of the trough was raised to form land, and great masses of molten and semi-solid rock rose from below to form intrusions ranging from dunite to quartz-diorite; these intrusions brought with them chromium, gold, platinum, and copper. Deposition of mud, sand, and other materials continued in the remnants of the sea and in isolated salt-water basins surrounded by desert land until the beginning of the Oligocene epoch when the whole area became land; it was probably soon after this that the granite-like rock of Mount Kinabalu rose in a molten condition from below, although it was much later that erosion of rocks overlying the intrusion revealed the mountain in its present form.

At the end of the Oligocene times, the Sugut, Kinabatangan, and Kalabakang-Brantian areas were submerged below the sea again and more sedimentary deposits, many of them with considerable admixture of volcanic ash, were laid down, together with some coal. Before the Pliocene epoch, emergence of the land produced North Borneo in approximately its present form and deposition of marine sediments continued only in areas close to the present coast; a little of this material, for example, on the tip of Dent Peninsula, has since emerged to form land. In comparatively recent times, possibly less than a million years ago, active volcanoes built the cone of which the remnants now form Gaya Island in Darvel Bay, and poured out lava in the Mostyn area and in the hinterland of Tawau, lava which has given rise to the valuable soils on which hemp and rubber trees grow exceptionally well.

During the Great Ice Age, the sea throughout the world became shallower and the shelves now submerged below shallow sea around the North Borneo coasts were part of the land, with the rivers extending out across them. After the melting of great masses of ice in other parts of the world, the sea rose and flooded



The Hongkong and Shanghai Banking Corporation Building at Jesselton — opened in 1954.

(Kuo Tat Boon)



Information Office reading room — Jesselton.

(Central Office of Information)

the valleys, producing a deeply indented coast-line, particularly on the east coast. Since then, the rivers have been attempting to straighten the coast-line by depositing estuarine alluvium, the Segama being the only large river to have succeeded; although the Kinabatangan appears at first glance to have done so, it has actually abandoned its old estuary, which is now Sandakan Harbour, and has found a new way to the sea in a place where the coast was already almost straight.

Klias Peninsula, on the west coast, is an exceptional feature which owes its origin to the destruction of a lake or series of lakes that occupied what is now the Pegalan-Padas valley. A river flowing from the top of the present Padas Gorge cut back its headwaters until it drained this lake and vast quantities of lake-bed sediment were carried rapidly to the sea and deposited between the coast and a row of islands which now form the hills between Mempakul and Tanjong Nosong.

Departmental Activities

From the North Borneo Office the regional geological surveying of the Colony is carried out, and also local advisory work for Government and the public. During 1954, the Deputy Director completed jungle expeditions in the Darvel Bay and upper Segama valley area and made a rapid reconnaissance of the Labuk River. The main task of the other two geologists stationed in Jesselton were the mapping of the Kinabalu and Taritipan areas. A memoir on *The Coal Deposits and Geology of the Silimpopon area, Tawau District, North Borneo*, was printed and will be distributed as soon as the accompanying maps have been published,—probably mid 1955.

The search for underground water by boring in the Sandakan area commenced in 1954, and a start was made on similar work at Kudat. The department accepted responsibility for the siting of the bores and for decisions as to the depth that they should reach; other aspects of the boring were the responsibility of the Public Works Department. Bores at Sandakan were sited near perennial natural springs of exceptionally clear water which flow in a number of places at the foot of cliffs along the shore on either side of the town. Of the five bores sunk, one has a proven safe yield of 7,000 gallons per hour including 1,500

gallons artesian flow, another 5,000 gallons and a third an artesian flow which can be utilised by nearby houses, although its yield when pumped is not sufficient to justify further development; the other two bores yielded less than 2,500 gallons an hour and were abandoned. The water is clear and free of bacteria and has a pleasant taste; it will provide a valuable and economical additional supply for Sandakan. In Kudat, the first bore had reached a depth of more than 100 feet before the end of 1954; it has shown that the bed of coral sand, from which the town water supply is at present obtained by means of shallow wells, is deeper than was formerly known and has thus made available an additional reserve of water; the strata so far penetrated below this coral sand yield little water but are of such a nature that rapid changes may be anticipated as boring proceeds and, in view of the urgent need for more water in Kudat, it is proposed to bore to at least 300 feet if necessary.

A geological expedition that involved fifty days' travel on foot into uninhabited country in the headwaters of the Segama River was made early in 1954; this journey was made possible by an air drop of supplies by the Royal Air Force. The objects were to observe the geology of a previously unmapped area and to investigate the reports of gold found there by the only two other expeditions to penetrate so far up the river. The results, in so far as the search for gold is concerned, were disappointing, but the new knowledge gained of the succession and distribution of various rock formations has done much to clarify the geology of the older rocks of the Colony, in which there are the best hopes of finding valuable minerals. This knowledge is being applied to other more accessible areas, such as the Labuk valley where there is some reason to believe that useful copper deposits may exist.

The recently completed survey of the Silimpopon Coalfield and its surroundings, in Tawau District, has shown that there is one seam that may be worth further mining, and that this may still contain as much as 14,000,000 tons of high rank sub-bituminous coal. The colliery which operated there for 27 years prior to 1932 produced about 1,500,000 tons of coal but was a financial failure because of mining and transport difficulties. If it were

considered that mining could be planned in such a way that acidity of the mine water would not prove a prohibitive handicap, if more satisfactory means of transporting the coal to the sea could be devised, and if nearby markets could be found, it would still be necessary, before restarting mining, to sink bores to establish the validity of the estimates of reserves, which are at present based in part on indirect evidence.

The manganese deposits at Taritipan, Marudu Bay, were surveyed during 1954, and the ore was found to occur in small surface-enriched deposits only a few feet in thickness. The deposits were mined between 1903 and 1908, and one cargo of 2,800 tons of ore was exported in 1906 to the United Kingdom, where it was rejected as below standard. Considerable difficulties were encountered in transporting the ore at Taritipan, but the main causes of the failure of mining were the scarcity and poor quality of the ore. The amount of ore still stacked at the old mines is roughly 2,500 tons, of which it is estimated 800 tons are of marketable quality. Reserves of manganese ore in the Taritipan area have been estimated at only a few hundred tons.

A deep test well for petroleum was sunk by the Shell Company of North Borneo Limited on Klias Peninsula during the year. It reached 8,438 feet, at which depth it was penetrating Eocene beds, having thus passed through all potentially oil-bearing strata but without revealing any oil shows.

Prospects for the discovery of commercial oil deposits on the mainland of North Borneo have deteriorated materially as a result of this test.

Future Plans

Future plans for the North Borneo section of the Geological Survey Department, British Territories in Borneo, include the completion of surveys of the Taritipan and Kinabalu areas. A memoir on the geology and mineral resources of the Darvel Bay and upper Segama River area will be prepared for publication in 1955. A decision as to the next areas to be surveyed will depend to some extent on the results of the surveys at present in progress. Arrangements have been made for a photogeological reconnaissance of the Colony to be made by the relevant section of the Directorate of Colonial Geological Surveys, London.

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A deep test well for petroleum was sunk by the Shell Company of North Borneo Limited on Klias Peninsula during the year. It reached a depth of 438 feet, at which depth it was penetrating Eocene beds, having thus passed through all potentially oil-bearing strata but without revealing any oil shows.

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1 *Geography and Climate*

NORTH BORNEO includes the whole of the northern portion of the island of Borneo. It is 29,388 square miles in area or roughly the size of Ireland. The China Sea washes its western and the Sulu and Celebes Seas its eastern coasts. The heavily-indented coastline measures some 800 to 900 miles.

PART THREE

The distances from Sandakan to towns in adjacent territories are approximately as follows: Manila, 600 miles; Singapore 1,000 miles; Hong Kong 1,200 miles; and Port Darwin, 1,500 miles.

The country contains central mountain ranges, from four to six thousand feet in height, rising somewhat sharply from ranges of low hills nearer the coast. These hills are traversed by valleys and occasional plains. The coastline is formed mainly of alluvial flats, with many creeks and swamps. Hills and valleys in most cases are covered with dense forest, and there are many rivers.

The main harbour on the west coast is on the island of Labuan, which lies to the north of Brunei Bay. Further north Jesselton, the capital of the Colony, has a good, well-sheltered harbour for vessels of moderate size, which take away the bulk of the rubber produced on the west coast. At the most northerly point of the Colony is Marudu Bay, a former strong-hold of Illanun pirates. On its western shore, eleven miles from the entrance, is Kudat Harbour. About midway down the east coast is the magnificent harbour of Sandakan, the approach to which is marred to some extent by a bar. The entrance is a mile and a quarter wide, and the bay, which is fifteen miles in length, gradually increases to a width of five miles. Sandakan, a former capital of the old State of North Borneo and the largest town in the Colony, is built on northern shore about a mile from the entrance. Other good harbours are Lahad Datu, further down the east coast, and Cowie Harbour with its port of Tawau.

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The population of the principal towns, is given on page 16 under Chapter I of Part II.

The main mountain feature of the country is the Crocker Range, commencing at the south end of Marudu Bay and following the west coast at a distance of some thirty miles. This range, 4,000—6,000 feet in height, sends short spurs to the west coast, and is dominated by Mount Kinabalu, 13,455 feet high. This is one of the finest mountains in the Far East and is venerated by the natives as the resting-place of the souls of the dead. Trusmadi, on the borders of the Keningau and Tambunan district in the Interior, reaches a height of 8,000 feet, while ranges of 4,000—6,000 feet are not uncommon near the Indonesian border.

The most extensive plain is that on the east coast drained by the Kinabatangan river and its tributaries, believed to contain some 4,000 square miles of rich and fertile soil. In the Interior are found the Keningau and Tambunan plains which are traversed by the Pegalan River. The Keningau plain consists of wide stretches of grassland, while Tambunan maintains a large padi-growing population.

The rivers are numerous and of considerable importance constituting as they do the only highways in some parts of the country. The longest, the Kinabatangan, follows a course of some 350 miles, and is navigable by shallow-draught launches for considerable distances. The Segama River, in the south-east, is navigable for about sixty miles and the rich soil of its valley is suitable for the cultivation of wrapper-leaf tobacco. The other main rivers in the east are the Labuk and the Sugut.

The west coast rivers are by contrast short and swift-flowing, and consequently of little use for navigation, but the long, narrow coastal plain which they water, contains the main rice and rubber-producing areas of the Colony. The longest of these rivers is the Padas, which is navigable for small launches as far as Beaufort, sixty miles from the sea. The Padas has cut a deep and narrow gorge through the west coast range, and it is through this lovely, scenic gorge that the railway into the Interior runs for much of its course.

The climate of North Borneo is tropical, but on the whole equable. On the coast, day temperatures vary from 70°F. in the early morning to 88° at mid-day, and only on exceptionally hot days to 93° or 94°. Night temperatures are in the region of 70° and in most places comparatively cool nights occur.

Annual rainfall varies from 60 inches to 160 inches, depending on the locality. The difference in regional rainfall characteristics and its seasonal variations are caused by the prevailing winds. The north-east monsoon begins in October or early November and lasts until March, and the south-west monsoon prevails from the beginning of May until August. Between the monsoons there are periods of indeterminate winds lasting about six weeks. The highest rainfall is in the south-west (Beaufort and Labuan) and the lowest and most evenly distributed rainfall is in the Interior (Tenom, Keningau and Tambunan) and at Tawau in the south-east corner of the Colony. On the West Coast the wetter season occurs during the south-west monsoon, and during the interim periods, while on the East Coast the heaviest rainfall is during the north-east monsoon. The typhoon belt passes just north of the Colony, so typhoons are unknown, although severe rain-storms accompanied by high winds are not infrequent.

TO a very great extent the history of Borneo is veiled in obscurity. It was known to the Arabs many years ago as a land rich in precious stones, gold and spices, and it is said that somewhere about A.D. 1300 the island was invaded by Kublai Khan. The traditions of Brunei and Sulu indicate that about this period there was established a Chinese settlement somewhere in the northern part of the island, and signs of early contact with Chinese civilisation still exist.

The first visits to the island of Borneo by Europeans were probably made by Spaniards and Portuguese. The companions of Magellan, after the death of their chief in the Philippines, called at Brunei in 1521; their historian, Pigafetta, left it on record that this city was then of considerable importance and contained no less than 25,000 families. A Dutchman visited Brunei in 1600, and the Dutch founded establishments in Borneo about that time. The first visit of an Englishman to the island seems to have been in 1665, when a certain Captain Cowley "visited a small island which lay near the north end of Borneo."

In 1773 the East India Company founded a station at Balambangan, an island to the north of Marudu Bay. This island and all the north-east promontory of Borneo had been granted by the Sultan of Sulu to Alexander Dalrymple in 1756, as a reward for procuring his release from Spanish captivity in Manila. The settlement at Balambangan was attacked by Sulus and Illanuns in 1775, and the garrison was forced to flee to Brunei, where the East India Company had another station. In 1803 the Company again formed an establishment in Balambangan, but shortly afterwards abandoned it, as well as the settlement in Brunei.

Meanwhile the Dutch had extended their influence and had acquired control of all but the northern and western portions of the island. By the beginning of the nineteenth century the north and west had relapsed into a condition of lawlessness and decay. Here the Sultans of Brunei and Sulu exercised nominal control and farmed out the right of collecting revenue to natives of rank. These "farmers" settled at the mouths of the rivers, levied taxes on passing traders and plundered the inhabitants. On the coast there was a loose system of Islamic law and in the Interior natives settled their own disputes according to tribal custom. Head-hunting was rife, disease ravaged the country, and pirates ranged the seas.

These, in brief, were the conditions in the north and west when James Brooke visited the island in 1840 and was installed as Rajah and Governor of Sarawak in 1841. Foremost among the new Rajah's ambitions was the suppression of piracy. The principal piratical races at the time were the Illanuns, the Balagnini, the Bajaus and the Sulus, all living near the north of the island. Their vessels were of large size, sometimes reaching a burden of 60 tons and a length of 90 feet, and they were heavily armed. Their cruising grounds were extensive, covering the coasts of the Philippine Islands, Borneo, the Celebes, Sumatra, Java, the Malay Peninsula, and even the Bay of Bengal. They had settlements of considerable size in Marudu Bay and along the east and west coasts of North Borneo.

After several efforts, Rajah Brooke persuaded the British Government, to take an interest in the suppression of this piracy, which was doing considerable damage to European shipping as well as to native craft. Several expeditions were sent against the pirate strongholds on the north coast during the years which followed, culminating in the destruction of Tunku on the east coast by H.M.S. *Kestrel* in 1879.

The modern history of North Borneo may be said to have begun in 1847, when the British Government concluded a Treaty of Friendship and Commerce with the Sultan of Brunei and acquired at the same time the island of Labuan, which became

a Crown Colony with a Governor and other officers. A similar treaty was entered into in 1849 between Great Britain and the Sultan of Sulu, but was not ratified owing to the difficulties raised by Spain.

British and American traders now attempted to obtain a firmer footing in North Borneo, and in 1872 protracted negotiations with the Sultans of Brunei and Sulu led to the cession in perpetuity of a large area of the country to a private syndicate controlled by Mr. Alfred Dent and his brother. The cession was subject to certain annual payments to the Sultans. In 1881 a Liberal Government under Gladstone granted a Charter to the "British North Borneo Provisional Association, Limited." The Charter provided *inter alia*, that the new company should always be British in character. It prohibited the transfer of the benefits of the grants and commissions without the consent of the Secretary of State, forbade the grant of any general monopoly of trade and invested the Secretary of State with certain powers of supervision over the company's proceedings, including the appointment of its principal representative in Borneo. The company undertook to abolish slavery, to administer justice with due regard to native customs and laws, and not to interfere with the religion of the inhabitants.

Following the grant of the Charter, the British North Borneo Company was formed in May, 1882 to finance the administration of the new state. A long diplomatic correspondence was necessary before the misgivings of the other European powers, in particular Spain and Holland, were finally allayed. In 1888 the state was created a British Protectorate, and from 1890 Labuan was, by request of the British Government, administered by the Government of North Borneo. This agreement ceased as from 1st January, 1906, the British Government having decided that it was necessary on grounds of imperial policy that Great Britain should resume direct responsibility for the administration of the Colony of Labuan.

Considering the lawlessness which prevailed before the British occupation, North Borneo has been remarkably free from unrest, though some trouble was encountered by the Company in the early years of its administration. Exploration of the newly acquired territories continued steadily and the little-known regions of the Interior were gradually penetrated and brought under control. Various enclaves of territory not included in that acquired from the Sultans were absorbed from time to time to knit the state into a compact whole of about 29,400 square miles. Economically, the country went slowly ahead. Capital started to flow in, though not as freely as had been hoped, and settlers were encouraged to immigrate from China. The west coast railway was begun in 1896 and completed nine years later to link Jesselton with Weston in the south and Melalap in the Interior. A serious economic crisis was averted by the rubber boom in the early nineteen-hundreds, the land which the railway had opened up proving eminently suitable for the growing of rubber which became within a few years the mainstay of the country's economy.

In January, 1942, North Borneo was invaded by the Japanese naval and military forces. For over three and a half years the country remained under enemy occupation until final liberation by units of the Ninth Australian Division, who landed in Labuan on 10th June, 1945. The behaviour of the population during this period was, with very few exceptions, exemplary, and many paid for their loyalty with their lives. The British Military Administration, which contained a few former Chartered Company senior officers, found the Colony in a state of appalling devastation. Many towns had been completely destroyed or badly damaged by fire or bombing, and many of the inhabitants massacred, among them a large number of Government servants. The Military Administration continued until 15th July, 1946, when North Borneo became a Crown Colony and civil Government was resumed. On the same date Labuan was incorporated into the new Colony.

Administration

THE North Borneo Letters Patent, 1946, as amended by the North Borneo (Amendment) Letters Patent, 1950, provide for the constitution of the office of Governor and Commander-in-Chief, the establishment of an Executive Council to be appointed in accordance with Royal Instructions, and the establishment of a Legislative Council by Order in Council.

To give effect, *inter alia*, to the provisions of these Letters Patent, Instructions were passed under the Royal Sign Manual and Signet, and the North Borneo (Legislative Council) Order in Council was made.

In accordance with the provisions of these Instruments an Executive Council and Legislative Council came into being in October, 1950; these Councils superseded the Advisory Council with the aid of which the Governor had administered the Colony since the 15th July, 1946.

The Executive Council, which consists of three *ex-officio* Members, namely the Chief Secretary, the Attorney-General and the Financial Secretary, two Official Members and four Nominated Members, is consulted by the Governor on all questions of importance. The Legislative Council consists of the Governor as President, three *ex-officio* Members, namely the Chief Secretary, the Attorney-General and the Financial Secretary, nine Official Members and ten Nominated Members.

The names of the members of the Executive and Legislative Councils at the end of 1953 are given at Appendix XIV. During the year there were 14 meetings of the Executive Council and the Legislative Council met on four occasions. The Governor, with the advice and consent of the Legislative Council and subject to the provisions of the Order in Council establishing it, may make laws for the peace, order and good government of the Colony. All questions proposed for decision in the Council are

determined by a majority of the votes of the Members present and voting, the President or Member presiding having an original vote, and in the event of the votes being equally divided, a casting vote.

The North Borneo Subsidiary Branch of the Commonwealth Parliamentary Association is affiliated to the United Kingdom Branch of the Association and was formed in September, 1952. Ordinary and life membership is restricted to serving members of the Legislative Council, but ex-members of the Council may, on notification to the Executive Committee of the Branch, become life or ordinary associates on payment of the appropriate subscription. At the end of October, 1954, the Branch had 24 members. A delegation from the Branch composed of four members attended a conference of Branches convened by the Sarawak Subsidiary Branch on 23rd April, 1954, at which, *inter alia*, information on activities in the political, economic and social field was exchanged. The Branch was honoured by the visit of a five-member delegation from the United Kingdom Branch of the Association from 27th to 1st September, consisting of the Rt. Hon. Ralph Assheton, P.C., M.P., Mr. Reginald Sorensen, M.P., Sir Robert Boothby, K.B.E., M.P., Sir Roland Robinson, M.A., LL.B., M.P., and Mr. Percy Morris, M.P. A full programme was arranged for the delegation, including attendance at a Meeting of the Legislative Council.

The laws of the Colony are somewhat complicated, being in part those applicable to the old State of North Borneo and in part those of the Straits Settlements previously applicable to Labuan, together with certain proclamations issued after the liberation by the British Military Administration which are still in force, and new ordinances and rules and regulations which have been enacted and brought into force since civil Government was resumed in 1946. A considerable number of additional ordinances have recently been introduced including some to replace the more obsolete legislation. A Commissioner for Law Revision was appointed in 1951 to undertake the work of revising the laws which, with one or two special exceptions, are now applicable to the whole Colony, including Labuan. The new revised edition of the laws will be ready for publication early in 1955.

The day-to-day administration of the Colony is carried out by departments under the general direction of the Chief Secretary, the principal executive officer of Government, from the Secretariat in Jesselton. The Attorney-General is head of the legal branch and financial administration is in the hands of the Financial Secretary. The Accountant-General is responsible for the public accounts.

In 1952 an Inland Revenue Officer was appointed to correlate the collection of Residents Tax, Company Tax, Trades Licence fees and other items of internal revenue. This officer is at present responsible to the Accountant-General, but his appointment may well mark the beginning of what will eventually become a separate Inland Revenue Department.

The Commissioner of Trade and Customs is charged with the collection of import and export duties, with the direction of preventive work and with the compilation of trade statistics.

Labour and Immigration problems have hitherto been dealt with in a single department under the Commissioner of Immigration and Labour. As from the beginning of 1954 the department was re-styled the Department of Labour and Welfare. It was intended that as soon as possible thereafter immigration duties, including the issue of passports, should be taken over by the Commissioner of Police, but owing to staffing difficulties, this transfer of duties had to be postponed until 1st January, 1955.

The two departments of Posts and Telecommunications were unified in 1951 on the arrival of a substantive Director and with effect from 1st January, 1952, the official designation of the department was changed to that of Posts and Telegraphs.

The Land Office and Survey Department were amalgamated in November, 1954, into a single department under a Director and Deputy Director of Lands and Surveys.

The post of Administrator General was created in 1951. The holder performed the duties of Registrar of the High Court, Registrar of Companies, Custodian of Enemy Property and the Registrar of Patents and Trade Marks. Subsequently, he was also appointed Commissioner of Estate Duties in 1952, Custodian

of Japanese Property and Registrar of Births and Deaths (in the place of the Director of Medical Services) in 1953, and Official Receiver under the Companies Ordinance in 1954. In 1953 his work as Custodian of Enemy Property was virtually completed, and in the same year for purposes of practical convenience, the Registrar of Patents and Trade Marks, Singapore, was appointed the Registrar for North Borneo also, and all applications are now received in Singapore.

Other permanent departments are the Agricultural, Audit, Education, Forests, Geological Survey, Judicial, Marine, Medical, Police, Printing, Prisons, Public Works and Railway departments. The sole remaining temporary department during the year was that of Controller of Supplies, (including Food Control, Price Control and Padi Purchasing).

In the latter part of 1953 a critical examination of the Government's staffing position was undertaken by an official committee under the chairmanship of the Chief Secretary. It made recommendations for a gradual reduction of staff in the case of some departments and for an amalgamation or re-arrangement of duties in others.

For local administration, the Colony continued to be divided until 31st October, 1954, into three Residencies, East Coast, West Coast and Labuan and Interior, with headquarters at Sandakan, Jesselton and Labuan respectively. As from 1st November, the former East Coast Residency was split in two, with a Resident at Sandakan and a Resident at Tawau. The new arrangements are part of a plan to repose greater executive responsibility in the provincial and district administrations and to lessen the concentration of authority in Jesselton. It is expected that the division of the East Coast Residency will result in closer but at the same time more economical administration. District Officers continue to be stationed at Sandakan (in the Sandakan Residency) and at Lahad Datu (in the Tawau Residency). There are five District Officers in the West Coast Residency, at Jesselton, Tuaran, Kota Belud, Kudat and Papar; and four in the Labuan and Interior Residency, at Beaufort, Keningau, Labuan and Tenom. In addition there are a number of sub-districts under the control of Assistant District Officers,

Within each district, Village Headmen carry on minor administration under Native Chiefs, who in turn are responsible to the District Officer. These chiefs preside over Native Courts which deal with offences against native custom and breaches of Islamic law. The courts held by District Officers in their magisterial capacity are concerned with normal civil actions, breaches of the laws of the Colony and offences against the Penal Code. In addition to their other duties, District Officers and their assistants are Assistant Collectors of Land Revenue and Assistant Commissioners of Labour.

The Rural Government Ordinance, enacted in 1951, provides for the establishment of Local Authorities in rural areas. These are empowered to control their own finances and make by-laws for such purposes as improvement of agriculture, movement of live-stock, control and development of communal grazing grounds, fencing of land, control of markets, and measures to promote public health. The first such Local Authority was set up in the Kota Belud District on 1st January, 1952, under the presidency of the District Officer and the vice-presidency of the Deputy Assistant District Officer, who is a Native. As from 1st July, 1954, the small township of Kota Belud, which has a Chinese population, ceased to be a Sanitary Board area under the Sanitary Boards Ordinance, 1931, and became part of the Local Authority area. At the same time several Chinese, representing the interests of the town, were appointed as members of the Local Authority, which until then had been composed entirely of Natives. The record of the Authority during its first three years of existence has been one of considerable achievement. Most of the work is done through committees, notably Finance, Tamu (Native markets), Agriculture and Irrigation and Livestock committees.

The new Municipal and Urban Authorities Ordinance, 1953, came into force on 1st July, 1954, when Jesselton and Sandakan, the two largest towns in the Colony, ceased to be Sanitary Board areas upon being declared Town Board areas under the new Ordinance. This Ordinance represents a considerable advance on the Sanitary Boards Ordinance and provides for the creation of Township Authorities, Town Boards and Municipal Councils. Jesselton and Sandakan, under their new status, have considerably more financial control of their own affairs than previously.

Members of the Boards are still appointed by the Governor, but there must now be an unofficial majority, and it is hoped that this step forward will encourage the growth of a civic consciousness and responsibility sufficient to justify the setting up of Municipal Councils in these centres in the not too distant future. The new Ordinance will come into force throughout the Colony on 1st January, 1955, when all other Sanitary Boards and Extended Areas under the old Sanitary Boards Ordinance will be declared Township Authorities, except for Tawau, which, like Jesselton and Sandakan, will have a Town Board. A fourth Town Board area will be the Island of Labuan, which hitherto has had a Rural Board constituted under the Municipal Ordinance of the Straits Settlements.

An important administrative development during the year was the creation of "district teams," which comprise the chief local representative of each department and prominent unofficials under the chairmanship of the District Officer. In some cases similar bodies have also been established at Resident's level. The teams meet at frequent intervals and each member reports what has been done in his particular sphere since the last meeting and what is proposed before the next. Difficulties are discussed and plans for the Residency or District, as the case may be, co-ordinated. There is no duplication of local bodies. Where there is a Local Authority, the district team becomes in effect the working committee of that Authority, and if they are not already on the Authority, local departmental representatives are co-opted to serve. Where there are at present no Local Authorities, it is hoped that district teams will pave the way for the Authorities of the future.

Numerous Statutory Boards and Advisory Committees have been established in recent years and are intimately concerned with the day-to-day administration of the territory.

The Standing Finance Committee consists of the Financial Secretary as *ex-officio* Chairman and five nominated members of Legislative Council representing all sections of the community. The function of this Committee is to scrutinize all votes entailing supplementary or unforeseen expenditure to be charged against the public funds of the Colony and to make recommendations thereon to the Legislative Council.

The Standing Development Committee includes all unofficial members of Council under the Financial Secretary as Chairman. This Committee scrutinizes all local development and welfare schemes recommended to Government as suitable for assistance from Colonial Development and Welfare funds.

The Central Town and Country Planning Board consists of five *ex-officio* members and five persons nominated by the Governor under the chairmanship of the Development Secretary. The functions of this Committee are to advise on all major matters of policy affecting town planning and it has certain important statutory functions under the Town and Country Planning Ordinance, 1950. All town plans prepared by local Town Planning Committees are scrutinized by this Board before submission to the Governor in Council for approval.

The Rubber Fund Ordinance of 1950 provided for the setting up of a Rubber Fund Board consisting of three official and six unofficial members, representing all interested parties under the chairmanship of the Director of Agriculture. In 1954 under an amending Ordinance the Board became a body corporate and provision was made for increased unofficial representation. The function of this Board is to advise Government on matters relating to the rubber industry, and, on the recommendation of the Board a cess was imposed with effect from 15th October, 1950, on all rubber exported from the Colony at the rate of one quarter of one cent per pound. The fund provided by the cess is used for research purposes, and for other services calculated to promote the welfare of the rubber industry. During the year the Board devoted much attention to the devising of a scheme to facilitate rubber planting and replanting to be financed by a cess on rubber exports, imposed under the Rubber Industry Replanting Fund Ordinance, which was enacted in November, 1954. On the recommendation of the Rubber Fund Board the Ordinance will come into force on 1st January, 1955, and a cess of two cents a pound will be imposed as from 1st April, 1955. For further details of the activities of this Board, see page 47.

The Labour Advisory Board is constituted on a tripartite basis consisting of four members representing various Government interests, with the Commissioner of Labour as Chairman, four

members representing employers' interests and four members representing employees' interests. The Board affords opportunities for employers and workers to discuss their problems before advising the Government on matters concerning labour.

The Board of Trustees of the War Victims Fund was set up in 1949 under the War Victims Fund Ordinance to deal with applications for relief arising out of the Japanese occupation. Such relief work includes the approval of subsistence grants, contributions to school fees, the supply of rice and special food and rehabilitation grants. It consists of three *ex-officio* members and eight other representative members nominated by the Governor, with the Resident, West Coast as Chairman.

The Scholarship Advisory Board under the chairmanship of the Director of Education, and with four other representative members, meets to select suitable candidates for scholarships for advanced education abroad.

An Advisory Committee for Education was appointed in 1950 under the chairmanship of the Director of Education, with the Director of Medical Services and the Director of Agriculture as *ex-officio* members and four other members representing various educational bodies. It is the function of the Committee to advise the Director of Education and keep him in touch with current thought on educational matters.

During 1953 the Liberation Educational Trust fund was established with a capital of \$2 million, derived from a part of the proceeds of the former Japanese assets in the Colony. The Trustees of the Fund are the Chief Secretary and the Financial Secretary, whose duty it is to invest the capital and to pay the sums received by way of interest to a Committee of Management, under the chairmanship of the Director of Education, for disbursement on scholarships and similar educational purposes.

Early in the year a Social Welfare Council consisting of 10 members under the chairmanship of the Commissioner of Labour and Welfare was appointed. The main task of the Council is to co-ordinate social welfare work in the Colony and to advise the Government generally on social welfare matters.

Another body appointed during the year was the Electricity Advisory Board, which is in effect a working committee covering all Government electricity undertakings. It is composed of seven members under the chairmanship of a senior engineer of the Public Works Department. Its members, include an accountant, a nominee by the unofficial members of Legislative Council from among their number, a nominee each from the Jesselton and Labuan Urban Authorities and two members nominated by the Governor.

In 1953 a standing conference of the Borneo territories was established, known as the Sarawak—North Borneo—Brunei Conference with the object of studying and promoting consultations and co-operation between the three territories on matters of mutual concern. Presided over by the Commissioner-General, the membership of the Conference comprises the Governors of North Borneo and Sarawak and the Sultan of Brunei, each accompanied by up to three representatives from his territory.

Two meetings of the Conference were held during 1954, the first at Brunei in April and the second at Kuching in October. Several inter-territorial meetings were also held at a departmental level during the year.

Native Affairs Bulletins, by G. C. Woolley:

No. 2. *Tuaran Adat: Some Customs of the Dusuns of Tuaran, West Sabah North Borneo.*

4

No. 3. *Murut Adat: Customs Regulating Inheritance amongst the Murut of Keningau and the Timogun Tribe of Tenom.*

Weights and Measures

IMPERIAL weights and measures and the following local weights and measures are in general use:

Measures of Weight and Avoirdupois Equivalents

1 tahil	=	1½ ounces	
16 tahils	=	1 kati	= 1½ lb.
100 katis	=	1 pikul	= 133½ lb.
40 pikuls	=	1 koyan	= 5,333½ lb.

Measure of Capacity

2 gills	=	1 pau
2 paus	=	1 pint
2 pints	=	1 quart or chupak
4 quarts	=	1 gallon or gantang

Reading List

5

NORTH BORNEO GOVERNMENT PUBLICATIONS

(Obtainable from the Information Officer, Jesselton, North Borneo,
or through the Crown Agents for Oversea Governments
and Administrations, 4 Millbank, London, S.W.1)

* *Annual Reports*, 1948, 1949, 1950, 1951, 1952, 1953. Price \$1,
\$1, \$2, \$2, \$2 and \$2 respectively.

Departmental Annual Reports

* *The Revised Edition of the Laws of North Borneo*. Six volumes
Price per set \$108 (12 guineas). (Obtainable from the
Government Printer, Jesselton).

Government Gazette, (bi-monthly). Subscription \$15 per annum
(Inland), \$25 per annum (Overseas).

Estimates of Revenue and Expenditure. (Annual). Price \$5.00.

Customs Tariffs, 1953. Price \$1.50.

North Borneo Reconstruction and Development Plan, 1948—1955.
Price \$6.00.

North Borneo Report on the Census of Population, 1951.
Price \$5.00.

North Borneo Rubber Commission Report, 1949. Price \$5.00.

*Statement Prepared by Forest Department, North Borneo, for the
British Commonwealth Forestry Conference*, 1952. Price
\$2.00.

North Borneo Forest Records:

No. 1. *North Borneo Standard Grading Rules*, 1949. Price
\$2.00.

No. 2. *A Preliminary List of North Borneo Plant Names*,
1952. Price \$15.00.

No. 3. *The Timbers of North Borneo*, 1947. Price \$7.00.

Native Affairs Bulletins, by G. C. Woolley:

No. 2. *Tuaran Adat; Some Customs of the Dusuns of Tuaran, West Coast Residency, North Borneo.*

No. 3. *Murut Adat; Customs Regulating Inheritance amongst the Nabai Tribe of Keningau and the Timogun Tribe of Tenom.*

No. 4. *Dusun Adat; Customs Regulating Inheritance amongst the Dusun Tribes in the Coastal plains of Putatan and Papar.*

No. 5. *Dusun Adat; Some Customs of the Dusuns of Tambunan and Ranau, West Coast Residency.*

No. 6. *Kwijau Adat; Customs Regulating Inheritance amongst the Kwijau Tribe of the Interior.*

* (also obtainable from H.M. Stationery Office)

OTHER PUBLICATIONS OF GENERAL INTEREST

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BURBRIDGE, F. W. *The Gardens of the Sun.* Murray, 1880.

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ENRIQUEZ, MAJOR C. M. *Kina Balu: The Haunted Mountain of Borneo.* Witherby, 1927.

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EVANS, I. H. N. *The Religion of the Tempasuk Dusuns of North Borneo.* Cambridge University Press, 1952.

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- KEITH, AGNES. *Land Below the Wind*. Michael Joseph, 1939.
- KEITH, AGNES. *Three Came Home*. Michael Joseph, 1948.
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- ROBSON, J. H. M. *A Bibliography of Malaya; also a short list of books relating to North Borneo and Sarawak*. Kuala Lumpur, 1939.
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- ROTH, H. LING. *The Natives of Sarawak and British North Borneo*. 2 volumes. Truslove & Hanson, 1896.
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- RUTTER, OWEN. *The Pirate Wind*. Hutchinson, 1930.
- ST. JOHN, S. *Life in the Forests of the Far East*. 2 volumes. Smith Elder, 1862.
- WHITEHEAD, J. *The Exploration of Kina Balu*. Gurney & Jackson, 1893.
- WILFORD, G. E. *Phosphate Deposits of British Borneo*, reprinted from the 1951 Annual Report of the Geological Survey Department, British Territories in Borneo.

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APPENDIX I

COLONIAL DEVELOPMENT AND WELFARE GRANTS
AND EXPENDITURE

DETAILS OF EXPENDITURE	Amount in Scheme	Actual Expenditure up to 1953	Revised Estimates 1954
	\$	\$	\$
CENTRAL ALLOCATION			
R.158, R.158A to C—Malaria Research	380,191	269,131	—
R.321, R.321A and B—Sociological Research	27,883	25,014	—
R.475, R.475A and B—Forestry Research	195,285	69,224	21,342
R.544—Soil Scientist	83,660	18,606	29,512
R.571—Plant Pathologist for Hemp Investigation	83,857	—	—
D.1501 & D.1501A—Aeronautical Telecommunications	638,479	451,258	118,600
D.1532—Meteorological Services	234,000	181,757	—
D.1835—Broadcasting	214,287	3,261	136,076
D.2036—Survey to Investigate Potential Rice Areas	147,929	514	47,154
BORNEO TERRITORIES JOINT ALLOCATION			
D.823, D.823A & B—Coal Investigation	193,547	193,547	—
D.915, D.915A to C—Labuan Airfield	317,871	302,138	—
D.1496—North Borneo Census	165,976	133,113	—
NORTH BORNEO ALLOCATION			
R. 86—Fisheries	34,286	26,707	—
D.721—Town Planner	47,337	46,990	—
D.774—Visit of Geologist	9,857	3,101	—
D.797, D.797A & B—Drainage and Irrigation Department	1,213,892	520,241	—
D.798—Veterinary Officer	38,571	30,472	—
D.857 & D.857A—Trade School	199,554	196,662	—
D.906—Fisheries Department	222,857	135,145	—
D.914 & D. 914A—Jesselton and Sandakan Airfields	608,571	607,890	—

APPENDIX I—(Cont.)

DETAILS OF EXPENDITURE	Amount in Scheme	Actual Expenditure up to 1953	Revised Estimates 1954
	\$	\$	\$
NORTH BORNEO ALLOCATION—(Cont.)			
D.955—Rubber Clonal Seed Nursery	17,143	13,856	—
D.979, D.979A & B—Forest Surveys and Silviculture	796,160	489,599	126,031
D.1043—Tambunan Malarial Experiment	15,000	10,596	—
D.1068—Rubber Commission	20,571	20,481	—
D.1077—Hemp Disease Control	114,000	86,034	—
D.1109C—Geological Survey	120,000	96,132	23,868
D.1158 & D.1158A—Road construction	3,243,050	1,253,829	793,856
D.1177—Geology Report	9,857	9,021	836
D.1195 and D.1195A—Forestry Training	53,720	33,168	10,560
D.1254—Town Planning	105,060	81,676	—
D.1271, D.1271A & B—Expansion of Veterinary Department	274,153	125,073	129,789
D.1315—Mechanised Rice Cultivation	62,366	37,574	23,424
D.1384, D.1384A & B—Teachers Training College	1,483,502	1,046,405	241,112
D.1406—Maternity and Child Welfare	310,200	209,322	4,360
D.1425 and D.1425A—Agricultural Expansion (Parts C & D)	199,096	105,249	49,966
Parts (A), (B) & (E)	76,561	76,361	—
D.1522—Maintenance of Aerodromes	111,857	86,992	—
D.1529—Hill Crop Agricultural Station	48,257	—	10,750
D.1531—Medical Dispensary and Health Launch Service	43,885	11,847	3,239
D.1538—Fisheries Department	330,206	323,863	—
D.1571—Farm School	106,757	—	16,700
D.1578—Papar-Benoni Irrigation	88,000	83,759	4,241
D.1646 & D.1646A—Sandakan Hospital	1,247,143	1,162,776	84,367

APPENDIX I—(Cont.)

DETAILS OF EXPENDITURE	Amount in Scheme	Actual Expenditure up to 1953	Revised Estimates 1954
	\$	\$	\$
NORTH BORNEO ALLOCATION—(Cont.)			
D.1722—Kudat Hospital ...	409,715	385,453	24,262
D.1727, D.1727A and B—Feeder Air Services ...	400,500	331,439	55,411
D.1777—Papar-Benoni Irrigation (North and South Banks) ...	777,000	271,242	380,000
D.1791—Hospital Equipment ...	144,070	111,229	30,000
D.1793—Marudu Bay Rice ...	83,229	83,229	—
D.1800—Stock Development Officer ...	120,185	56,011	24,104
D.1829—Water Supply, Tuaran ...	210,000	—	114,000
D.1835—Broadcasting ...	36,430	—	—
D.1878—Keningau Hospital ...	392,000	—	—
D.1885—Training of Agricultural Subordinates ...	12,955	914	3,390
D.1908—Fresh Water Fish Culture	73,238	10,585	23,142
D.1910 & D.1910A—Pilot Scheme for settlement of Hill Natives ...	37,400	10,371	27,029
D.1913—Padi Experiments ...	243,552	23,339	63,150
D.1918 & D.1918A—Reclamation of Swamp Area, Jesselton ...	212,650	66,420	146,230
D.1939—Soil Scientist ...	167,320	37,213	59,238
D.1950 & 1950A—Klias Peninsula Drainage ...	234,000	70,203	123,797
D.1969—Subsistence Allowance for Experts loaned under the Co- lombo Plan ...	78,420	15,775	15,686
D.1970 & D.1970A—Reclamation of Swamp Area at Batu Tiga ...	434,370	83,475	350,895
D.1980—Statistician ...	47,836	10,466	6,447
D.1988 & D.1988A—Jesselton Hospital ...	2,082,000	62,308	300,000
D.2038 & D.2038A—Improvement and extension of Bridle Paths ...	436,500	18,042	304,443
D.2102—Drainage & Irrigation, Tuaran ...	650,000	—	300,000
D.1828—Mental Hospital ...	15,234	15,234	—
TOTAL ...	\$21,233,038	\$10,241,332	\$4,227,007

APPENDIX II

LABOUR STATISTICS

A—WORKERS EMPLOYED BY EMPLOYERS OF 20 OR MORE WORKERS

Number of Workers	Chinese	Indonesians	Natives	Others	Total
At 1st Jan., 1941 ...	7,717*	2,333*	9,524	929*	20,503*
At 31st Mar., 1948 ...	4,260	1,979	8,980	199	15,418
At 31st Dec., 1949 ...	4,952	2,188	10,811	347	18,298
At 31st Dec., 1950 ...	5,008	1,926	11,713	665	19,312
At 31st Dec., 1951 ...	5,251	1,903	12,716	795	20,665
At 31st Dec., 1952 ...	6,054	2,806	13,647	1,805	24,312
At 31st Dec., 1953 ...	5,839	2,464	13,816	2,028	24,147
At 31st Dec., 1954 ...	5,243	3,003	13,313	1,497	23,056

Percentage of total at:

1st Jan., 1941 ...	37.6	11.4	46.5	4.5	100
31st Mar., 1948 ...	27.7	12.8	58.2	1.3	100
31st Dec., 1949 ...	27.1	12.0	59.1	1.8	100
31st Dec., 1950 ...	26.0	10.0	60.6	3.4	100
31st Dec., 1951 ...	25.4	9.2	61.5	3.9	100
31st Dec., 1952 ...	24.9	11.6	56.1	7.4	100
31st Dec., 1953 ...	24.2	10.2	57.2	8.4	100
31st Dec., 1954 ...	22.8	13.0	57.7	6.5	100

* Figures do not include labour employed by Government Departments and labour employed in Labuan.

* * *

B—DISTRIBUTION OF LABOUR BY OCCUPATIONAL GROUPS

OCCUPATIONAL GROUPS		NUMBER OF WORKERS AT 31-12-54				
Type of Employment	Places of Employment	Chinese	Indo-nesians	Natives	Others	Total
Estates ...	58	1,379	2,255	5,720	748	10,102
Industry and Commerce ...	84	3,326	620	4,205	639	8,790
Government Departments ...	83	538	128	3,388	110	4,164
TOTAL ...	225	5,243	3,003	13,313	1,497	23,056

APPENDIX II—(cont.)

C—ESTATE WORK

Type of Estate	Places of Employment	NUMBER OF WORKERS AT 31-12-54				Total
		Chinese	Indo-nesians	Natives	Others	
Rubber	49	912	1,541	5,386	73	7,912
Hemp	5	239	567	178	302	1,286
Tobacco	1	188	114	101	371	774
Copra	3	40	33	55	2	130
TOTAL	58	1,379	2,255	5,720	748	10,102

D—INDUSTRIAL AND COMMERCIAL ENTERPRISES

Type of Undertaking	No. of Regd. employers at 31-12-54	NUMBER OF WORKERS AT 31-12-54				Total
		Chinese	Indo-nesians	Natives	Others	
Timber-logging, sawmilling, firewood-cutting, etc. ...	34	1,682	537	3,457	498	6,174
Wholesale trading, grading, packing, ware-housing, stevedoring, transportation, etc.	20	417	53	328	106	904
Building and other construction	15	846	6	208	6	1,066
Fishing	2	64	22	28	27	141
Miscellaneous	13	317	2	184	2	505
TOTAL	84	3,326	620	4,205	639	8,790

APPENDIX III STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 1953

LIABILITIES		ASSETS	
	\$		\$
DRAFTS AND REMITTANCES	6,566.06	CASH :—	
DEPOSITS	1,056,177.80	With Banks	310,774.38
SPECIAL FUNDS :—		British North Borneo (Chartered) Company	2,317.50
Custodian of Property	484,844.42	Notes Redeemed	211,450.10
Administrator of Japanese Property	5,536,207.53	With District Treasuries	216,380.66
Rubber Fund Board	210,318.28	In Transit	414.53
State Bank of North Borneo, Sundry Deposits	144,030.06	Joint Miscellaneous Fund	122,039.86
North Borneo Widows' and Orphans' Pension Fund	332,413.70	With Agents	2,502,857.14
Colonial Scholars (C.D. and W. Scheme D.694)	5,133.00	Joint Colonial Fund	
Chee Swee Cheng Scholarship Fund	4,846.20		3,366,234.17
North Borneo Central Library Bequest Fund	3,451.75		
Resident Scholarship Fund, Government English School, Labuan	3,260.09	SPECIAL FUNDS INVESTMENTS :—	
Wee Guan Toh Scholarship Fund	2,680.68	North Borneo Widows' and Orphans' Pension Fund	319,224.98
Pauper Fund	16,235.92	North Borneo Central Library Bequest Fund	3,451.75
Loans-in-Aid—War Damage Claims Commission	1,397,211.42	Resident Scholarship Fund, Government English School, Labuan	3,260.00
Colonial Development and Welfare Grants	511,041.52	Rubber Fund Board	172,790.93
		Chee Swee Cheng Scholarship Fund	4,800.50
		Wee Guan Toh Scholarship Fund	2,462.50
			505,990.66
OTHER GOVERNMENTS AND ADMINISTRATIONS		SURPLUS FUNDS INVESTMENTS	8,187,335.39
GENERAL REVENUE BALANCE :—		ADVANCES :—	
Surplus 1st January, 1953	2,042,921.71	Sundry	1,127,328.21
Add Surplus and Deficit Account (1953)	2,087,273.51	Controller of Supplies	893,954.86
			2,021,283.07
Add Appreciation of Investments (1953)	4,130,195.22		
	105,846.75		
Balance as at 31st December, 1953	4,236,041.97		
	\$14,080,843.29		
			\$14,080,843.29

APPENDIX IV
RATES OF ESTATE DUTY

Where the principal value of the estate			At the rate per centum of
	\$	\$	
Exceeds	3,000 and does not exceed	5,000	1
- do -	5,000	- do - 10,000	2
- do -	10,000	- do - 25,000	3
- do -	25,000	- do - 50,000	4
- do -	50,000	- do - 100,000	5
- do -	100,000	- do - 150,000	6
- do -	150,000	- do - 200,000	7
- do -	200,000	- do - 300,000	8
- do -	300,000	- do - 400,000	9
- do -	400,000	- do - 500,000	10
- do -	500,000	- do - 750,000	11
- do -	750,000	- do - 1,000,000	12
- do -	1,000,000	- do - 1,250,000	13
- do -	1,250,000	- do - 1,500,000	14
- do -	1,500,000	- do - 2,000,000	15
- do -	2,000,000	- do - 3,000,000	16
- do -	3,000,000	- do - 5,000,000	17
- do -	5,000,000	- do - 7,500,000	18
- do -	7,500,000	- do - 10,000,000	19
- do -	10,000,000		20

Provided that—

- (i) where the principal value of the estate exceeds \$3,000 but does not exceed \$5,000 the amount of estate duty payable shall be the amount calculated at 1% of such principal value or the amount by which such principal value exceeds \$3,000 whichever is the less;
- (ii) in all other cases the amount of estate duty payable shall, where necessary, be reduced so as not to exceed the highest amount of duty which would be payable at the next lower rate, with the addition of the amount by which the value of the estate exceeds the value on which the highest amount of duty would be so payable at the lower rate.

APPENDIX V
ESTIMATED ACREAGES OF THE COLONY'S MAIN CROPS

DISTRICT	Rubber	Coconuts	Wet Padi	Dry Padi	Hemp
WEST COAST—					
Kudat	6,106	19,200	1,500	4,000	—
Kota Belud and Ranau	369	191	8,500	7,300	—
Tuaran—Tenghilan	6,500	387	5,000	2,100	—
Jesselton—Inanam	12,250	80	1,500	450	—
Penampang—Putatan	4,600	241	5,500	400	—
Papar	20,000	132	7,474	400	—
	49,825	20,231	29,474	14,650	—
EAST COAST—					
Labuk and Sugut	156	300	1,100	1,705	—
Sandakan	11,630	5,019	—	3	—
Kinabatangan	583	407	28	1,444	—
Lahad Datu—Tungku	3,301	6,136	—	1,500	—
Semporna	—	640	—	50	900
Tawau	13,118	8,000	143	60	3,000
	28,788	20,502	1,271	4,762	3,900
LABUAN AND INTERIOR—					
Keningau	515	10	3,300	1,200	—
Tambunan	40	—	4,000	1,850	—
Tenom	8,550	—	700	1,100	—
Beaufort	23,050	460	3,500	1,450	—
Kuala Penyu	2,870	2,500	850	100	—
Sipitang	5,530	460	1,100	1,300	—
Labuan and Mempakul	1,170	1,500	930	700	—
Pensiangan	80	—	—	5,000	—
	41,805	4,930	14,380	12,700	—
GRAND TOTAL	120,418	45,663	45,125	32,112	3,900

APPENDIX VI

1951 CENSUS

TOTAL POPULATION

GENERAL LITERACY RATES PER MILLE

		MALES		FEMALES		PERSONS	
		All ages	15 and over	All ages	15 and over	All ages	15 and over
East Coast Residency	...	201	307	47	67	129	197
West Coast Residency	...	170	258	48	63	110	161
Labuan and Interior Residency	...	195	279	31	36	114	159
North Borneo	...	186	277	44	58	117	170

THE INDIGENOUS POPULATION

GENERAL LITERACY RATES PER MILLE

		MALES		FEMALES		PERSONS	
		All ages	15 and over	All ages	15 and over	All ages	15 and over
East Coast Residency	...	77	124	6	8	42	66
West Coast Residency	...	95	146	10	12	50	76
Labuan and Interior Residency	...	141	199	10	10	74	100
North Borneo	...	101	155	9	10	55	81

THE CHINESE POPULATION

GENERAL LITERACY RATES PER MILLE

		MALES		FEMALES		PERSONS	
		All ages	15 and over	All ages	15 and over	All ages	15 and over
East Coast Residency	...	355	531	111	163	245	373
West Coast Residency	...	481	701	248	368	379	564
Labuan and Interior Residency	...	405	601	143	220	290	449
North Borneo	...	411	607	166	246	303	456

APPENDIX VII

EDUCATION STATISTICS

A—ANALYSIS OF PUPILS BY RACE AND NATIONALITY
AS AT 30TH SEPTEMBER, 1954

COLUMN I		COLUMN II		
EUROPEAN	...	European	...	70
		Eurasian	...	129
		TOTAL	...	199
DUSUN	...	Dusun	...	3,821
		Kwijau	...	27
				3,848
MURUT	...	Murut	...	710
				710
BAJAU	...	Bajau	...	986
		Illanun	...	33
				1,019
OTHER INDIGENOUS	...	Orang Sungei	...	90
		Brunei & Kedayan	...	1,646
		Bisaya	...	289
		Sulu	...	258
		Tidong	...	8
		Sino-Native	...	527
				2,818
CHINESE	...	Hakka	...	17,038
		Cantonese	...	
		Hokkien	...	
		Teochew	...	
		Hailam	...	
		Other Chinese	...	
		TOTAL	...	17,038
OTHERS	...	Native of Sarawak	...	—
		Malay	...	—
		Indonesian	...	—
		Indian & Pakistani	...	206
		Native of Philippines	...	—
		Others	...	582
		TOTAL	...	788
		GRAND TOTAL	...	26,420

APPENDIX VII—(Cont.)

B—ENROLMENT BY STAGES 1946—1954

Year	Primary	Secondary	Total
September, 1946	10,268	—	10,268
June, 1947	13,959	93	14,052
June, 1948	15,610	242	15,852
September, 1949	17,705	315	18,020
September, 1950	19,140	484	19,624
September, 1951	20,738	650	21,388
September, 1952	21,953	1,038	22,991
September, 1953	22,498	1,607	24,105
September, 1954	24,426	1,994	26,420

* * *

C—PROPORTION OF BOYS TO GIRLS 1947—1954

Year	Boys	Girls	Total
June, 1947	10,579	3,473	14,052
June, 1948	11,658	4,194	15,852
September, 1949	13,021	4,999	18,020
September, 1950	14,033	5,591	19,624
September, 1951	15,074	6,314	21,388
September, 1952	15,942	7,049	22,991
September, 1953	16,879	7,226	24,105
September, 1954	18,428	7,992	26,420

* * *

D—NUMBER OF REGISTERED TEACHERS 1948—1954

Year	Men	Women	Total
June, 1948	409	129	538
September, 1949	552	209	761
September, 1950	664	283	947
September, 1951	754	363	1,117
September, 1952	858	445	1,303
September, 1953	987	538	1,525
September, 1954	1,059	598	1,657

APPENDIX VII—(Cont.)

E—NUMBER OF SCHOOLS OPEN 1946 — 1954

Year	Govt.	Mission	Chinese	Others	Total
September, 1946	48	43	51	2	144
June, 1947	60	45	52	8	165
June, 1948	66	56	63	8	193
September, 1949	65	58	73	8	204
September, 1950	70	59	77	12	218
September, 1951	71	58	* 82	8	219
September, 1952	73	62	+ 86	7	228
September, 1953	70	68	@ 81	x 14	233
September, 1954	¶ 75	67	% 81	xx 26	249

¶ includes one Trade School and Teachers Training College.

* includes five night schools.

+ includes six night schools.

@ includes two night schools

% includes two night schools.

x includes three Local Authority schools previously included as Government and one English night school.

xx includes one English night school and five Local Authority schools.

F—ENROLMENT ALL SCHOOLS 1946 — 1954

Year	Govt.	Mission	Chinese	Others	Total
September, 1946	2,706	3,160	4,402	—	10,268
June, 1947	3,304	4,661	5,868	219	14,052
June, 1948	3,920	5,767	5,955	210	15,852
September, 1949	3,811	6,601	7,406	202	18,020
September, 1950	3,904	7,019	8,489	212	19,624
September, 1951	4,044	8,016	9,028	300	21,388
September, 1952	4,310	8,790	9,479	412	22,991
September, 1953	4,739	9,167	9,361	838	24,105
September, 1954	5,776	9,764	9,800	1,080	26,420

APPENDIX VIII

MEDICAL

A—INSTITUTIONS (GOVERNMENT)			Number of Institutions	Number of beds
1. <i>Hospitals:</i>				
(a)	General hospitals (institutions equipped to deal adequately with all general medical and surgical cases)	...	2	350
(b)	Cottage hospitals or infirmaries (smaller institutions equipped to handle only lighter cases, more severe cases being referred to general hospital)	...	5	192
2. <i>Dispensaries (institutions for treatment mainly of out-patients):</i>				
(a)	Exclusively for out-patients	...	11	—
(b)	Having beds for lighter cases to be referred to general hospital	...	10	156
			In General Hospital	In dispensary As separate unit
3. <i>Specialised units:</i>				
(a)	Maternity and Child Welfare Centres	...	—	2
(b)	Tuberculosis	...	2	—
(c)	Venereal disease	...	—	—
(d)	Leprosaria	...	—	1
(e)	Mental institutions	...	—	1
(f)	Others	...	—	—
			Number of Units	Total Staff
4. <i>Mobile units:</i>			1	2
* * *				
B — MEDICAL AND HEALTH STAFF				
			Govern- ment	Missions Private
Registered Physicians	...	...	11	1 12
Nursing Sisters	...	...	6	3 1
Staff Nurses	...	...	14	— —
Trained Nurses	...	...	16	— —
Probationer Nurses	...	...	28	— —
Government Hospital Assistants	...	...	9	— —
Trained Dressers	...	...	77	— 52
Probationer Dressers	...	...	54	— —
Certified Midwives	...	...	29	3 38
Health Inspectors Grade I	...	...	1	— —
Probationary Health Inspectors	...	...	11	— —
			256	7 103

APPENDIX IX

RECORD OF WORK OF THE COURTS OF THE COLONY

A—A COMPARATIVE STATEMENT OF CASES DEALT WITH
DURING 1953 AND 1954 BY THE HIGH COURT

HIGH COURT	Criminal		Civil	
	1953	1954	1953	1954
1. Original Jurisdiction	43	37	105	108
2. Revisional	20	33	3	2
3. Appeals from Magistrates' Courts ...	56	33	7	14
4. Appeals to the Court of Appeal ...	5	10	5	8
5. Appeals from Commissioner of Lands and Assistant Collectors of Land Revenue	—	—	1	1
6. Appeals from the Sanitary Board ...	—	—	2	1
7. Probate and Administration ...	—	—	29	5
8. Miscellaneous Suits	—	—	41	27
	124	113	193	166

* * *

B—ORIGINAL JURISDICTION

	CRIMINAL						CIVIL	
	1953		1954		1953		1954	
	Cases tried	Persons convicted	Cases tried	Persons convicted	No. of Suits	Value	No. of Suits	Value
High Court	43	33	37	27	105	290,590	108	264,070
Magistrates' Courts	2,799	2,871	2,556	2,470	894	123,701	1,733	116,817

* * *

APPENDIX X

COMPARATIVE STATEMENT OF COMPANIES REGISTERED
DURING 1953 AND 1954

	1953	1954
Companies Incorporated outside the Colony ...	17	14
Companies Incorporated in the Colony ...	4	3
Number of Companies Incorporated outside the Colony	91	105
Number of Companies Incorporated inside the Colony	34	37
Companies dissolved	—	18

APPENDIX XI

POLICE STATISTICS

A—CASES REPORTED TO AND DEALT WITH BY THE POLICE, 1954

OFFENCES	NOT TAKEN TO COURT.							TAKEN TO COURT.						Awaiting trial at 31-12-1954.
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
31-12-1953.	Pending at Total/Reported	Pending Investigation at 31-12-1954.	Referred to Native Courts (or Local)	Total.	Civil: no case in law; or found false.	Evidence insufficient or un-detected, etc.	Accused dead or insane.	Total.	Convicted.	Dismissed.	Nolle Prosequi.			
AGAINST LAWFUL AUTHORITY														
Against public order	1	6	—	1	—	—	—	6	3	—	—	—	—	
Perjury	—	4	—	—	—	—	—	2	2	—	—	—	3	
Escape and rescue	—	17	—	—	—	—	—	17	14	—	—	—	—	
AGAINST PUBLIC MORALITY														
Rape and indecent assault	—	—	—	—	—	—	—	—	—	—	—	—	—	
Unnatural offences	—	—	—	—	—	—	—	—	—	—	—	—	—	
Other	—	—	—	—	—	—	—	—	—	—	—	—	—	
AGAINST THE PERSON														
Murder and manslaughter	4	10	—	5	3	2	—	9	4	3	—	—	2	
Attempted murder and suicide	1	10	—	—	—	—	—	11	11	1	—	—	2	
Grievous harm, wounding, etc.	1	28	—	1	—	1	—	28	23	4	—	—	2	
Assaults	—	15	—	2	—	2	—	13	8	—	—	—	1	
Other	—	—	—	—	—	—	—	—	—	—	—	—	—	
AGAINST PROPERTY														
Thefts and other stealings	39	520	32	366	29	337	—	161	135	14	1	—	11	
Robbery and extortion	1	15	1	6	—	6	—	9	6	2	—	—	1	
Burglary, house and store breaking	—	23	—	8	—	8	—	15	10	3	—	—	2	
False pretences, cheating, fraud, etc.	7	46	—	8	—	8	—	45	32	9	—	—	4	
Receiving stolen property	—	—	—	—	—	—	—	—	—	—	—	—	—	
Arson	—	11	—	—	—	—	—	11	9	2	—	—	—	
Praedial larceny	—	3	—	2	—	2	—	1	1	—	—	—	—	
Other	—	—	—	—	—	—	—	—	—	—	—	—	—	
AGAINST THE PENAL CODE														
Forgery and coinage	—	—	—	—	—	—	—	—	—	—	—	—	—	
Other	18	206	5	54	10	44	—	165	136	21	5	—	3	
AGAINST CRIMINAL PROCEDURE CODE														
AGAINST LOCAL LAWS														
Against Traffic Ordinance	12	1,181	5	317	10	307	—	871	711	70	—	—	90	
Against Township Ordinance	—	12	—	1	—	1	—	11	10	1	—	—	—	
Against Liquor Ordinance	—	11	—	—	—	—	—	11	11	—	—	—	—	
Gambling	1	34	—	—	—	—	—	35	33	1	—	—	1	
Other	31	1,006	41	55	14	41	—	941	874	35	3	—	29	
TOTAL	116	3,167	84	830	68	762	—	2,369	2,039	169	11	—	150	

APPENDIX XI—(Cont.)
B—PERSONS DEALT WITH BY THE COURTS, 1954 *

OFFENCES	CONVICTED,										First Offenders Act or warning.
	Total arrested or summoned to Court.	Acquitted.	Nolle prosequi.	Awaiting trial at 31-12-1954.	Total.	Death.	Imprisonment.	Whipping.	Fine.		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
AGAINST LAWFUL AUTHORITY											
Against public order	8	4	—	—	4	M	M	J†	F	J†	—
Perjury	2	—	—	—	2	—	—	—	—	—	—
Escape and rescue	18	—	—	3	15	—	—	—	—	—	—
AGAINST PUBLIC MORALITY											
Rape and indecent assault	—	—	—	—	—	—	—	—	—	—	—
Unnatural offences	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—
AGAINST THE PERSON											
Murder and manslaughter	9	3	—	2	4	2	2	—	—	—	—
Attempted murder and suicide	11	—	—	—	11	—	10	—	—	—	—
Grievous harm, wounding, etc.	32	1	2	2	27	—	27	—	—	—	—
Assaults	13	4	—	1	8	—	8	1	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—
AGAINST PROPERTY											
Thefts and other stealings	210	25	1	9	175	—	102	2	64	—	—
Robbery and extortion	13	3	—	1	9	—	4	—	5	—	—
Burglary, house and store breaking	16	3	—	2	11	—	5	—	6	—	—
False pretences, cheating, fraud, etc.	48	9	—	4	35	—	33	—	3	—	—
Receiving stolen property	11	2	—	—	9	—	9	—	—	—	—
Arson	2	—	—	—	2	—	2	—	—	—	—
Praedial larceny	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—
AGAINST THE PENAL CODE											
Forgery and coinage	248	30	5	7	206	—	28	1	177	—	—
Other	7	—	—	1	6	—	6	—	—	—	—
AGAINST CRIMINAL PROCEDURE CODE											
Against Traffic Ordinance	890	72	—	90	728	—	1	—	677	—	50
Against Township Ordinance	12	1	—	—	11	—	—	—	9	—	2
Against Liquor Ordinance	11	—	—	—	—	—	—	—	—	—	—
Gambling	187	25	—	2	160	—	11	—	135	—	14
Other	1,143	58	3	36	1,046	—	173	—	828	—	45
TOTAL	2,891	240	11	160	2,480	2	440	3	1,917	—	116

* This table does not include persons dealt with by the Native Courts (98 persons were committed to prison by the Native Courts in 1954) or taken to Court otherwise than at the instance of the police.

† Age groups defined as juveniles are 7-10, 10-12, 12-14 and 14-16.

APPENDIX XII PRISON RETURN

Name and Nature of Prison	No. Committed for Debts on Remand and for Imprisonment		Length of Sentence of those sentenced to Imprisonment						Previous convictions			MISCELLANEOUS								
	Total number of persons committed during the year.	For Debts.	For safe custody subsequently discharged including lunatics.	For imprisonment.	18 months and over.	12 months and less than 18 months.	6 months and less than 12 months.	3 months and less than 6 months.	1 month and less than 3 months.	Under 1 month.	Once.	Twice.	Thrice or more	Daily average in Prison.	Daily average (on sick list).	Admission to Hospital.	Death (excluding Execution).	Execution.	Escape.	Recapture.
CENTRAL PRISONS:—																				
Jesselton	59	1	27	31	8	7	3	3	10	—	—	—	1	57.71	1.65	21	—	2	—	—
Sandakan	99	—	49	50	—	10	14	17	9	—	—	—	—	26.39	.27	—	1	—	1	—
LOCAL LOCK-UPS:—																				
Sipitang	4	—	1	3	—	—	—	—	3	—	—	—	—	.35	.02	—	—	—	—	—
Tuaran	52	—	20	32	—	1	3	6	11	11	1	—	—	2.72	.01	—	—	—	—	—
Beaufort	36	—	15	21	1	1	2	5	9	3	4	—	3	4.82	.26	—	—	—	—	—
Keningau	14	—	6	8	—	—	2	—	4	2	—	—	—	2.09	—	—	—	—	—	—
Kota Belud	48	—	19	29	—	—	6	7	9	7	—	—	—	6.07	.07	—	—	—	—	—
Ranau	21	—	2	19	—	2	4	3	7	3	—	—	—	1.59	.09	2	—	—	—	—
Tenom	16	2	3	11	—	—	—	5	3	3	—	—	—	1.09	.04	3	—	—	—	—
Kudat	78	—	27	51	—	—	2	13	22	14	1	—	—	6.76	.29	12	—	—	—	—
Beluran	19	—	15	4	—	—	1	3	16	8	1	2	—	1.95	—	11	—	—	—	—
Tawau	134	—	32	102	4	3	29	42	16	—	—	—	—	20.23	1.25	—	—	—	—	—
Lamag	13	—	1	12	—	—	3	2	6	1	1	—	—	1.74	.02	—	—	—	—	—
Tambunan	14	—	7	7	—	1	1	3	1	1	1	1	—	.92	.01	—	—	—	—	—
Labuan	36	—	24	12	—	2	—	4	4	2	1	—	—	2.54	.11	—	—	—	—	—
Papar	53	1	8	44	—	—	3	5	25	11	1	4	1	6.84	1.51	1	—	—	—	—
Lahad Datu	136	3	26	107	—	—	8	9	47	43	3	2	—	10.34	.82	14	—	—	—	—
Pensiangan	4	—	1	3	—	2	—	1	—	—	—	—	—	1.13	.03	—	—	—	—	—
TOTAL	836	7	283	546	13	29	81	128	186	109	13	9	5	155.28	6.45	64	1	2	1	—
Men	786	7	258	521	9	27	77	121	182	105	13	9	5	149.47	6.34	61	1	2	1	—
Women	33	—	13	20	—	2	4	7	4	3	—	—	—	4.67	.09	3	—	—	—	—
Juvenile—Boys	16	—	11	5	4	—	—	—	—	1	—	—	—	1.07	.02	—	—	—	—	—
Girls	1	—	1	—	—	—	—	—	—	—	—	—	—	.07	—	—	—	—	—	—

APPENDIX XIV

AIRCRAFT MOVEMENT AND PASSENGER AND FREIGHT STATISTICS

Airfield	AIRCRAFT		PASSENGERS			FREIGHT IN KILOS			MAIL IN KILOS		
	In	Out	In	Out	Transit	In	Out	Transit	In	Out	Transit
Labuan	2,576	2,578	7,601	8,683	5,766	168,485	122,479	200,959	19,958	10,498	48,532
Jesselton	1,061	1,061	6,638	6,054	1,721	91,963	118,996	46,539	12,691	12,114	8,706
Sandakan	626	627	3,354	2,982	521	46,761	28,738	17,360	9,836	8,943	685
TOTAL	4,263	4,266	17,593	17,719	8,008	307,209	270,213	264,858	42,485	31,555	57,923

APPENDIX XV

A—MEMBERS OF EXECUTIVE COUNCIL AS AT THE END OF 1954

His Excellency the Governor (MR. R. E. TURNBULL, C.M.G.)

The Honourable the Acting Chief Secretary (MR. G. L. GRAY,
O.B.E.)

“ “ the Attorney-General (MR. C. E. PURCHASE, Q.C.)

“ “ the Financial Secretary (MR. A. N. GOODE)

“ “ MR. R.G.P.N. COMBE, M.C. (Resident, West Coast)

“ “ MR. H. O. E. SYKES (Resident, Sandakan)

“ “ MR. J. MITCHELL, C.B.E.

“ “ MR. R. B. LUTTER

“ “ O.K.K. MOH'D. YASSIN BIN HAJI HASHIM, M.B.E.

“ “ MR. CHUNG CHAO LUNG

APPENDIX XV—(Cont.)

B—MEMBERS OF THE LEGISLATIVE COUNCIL AS AT THE END OF 1954

President:

His Excellency the Governor (MR. R. E. TURNBULL, C.M.G.)

Ex-Officio Members:

The Honourable the Acting Chief Secretary (MR. G. L. GRAY,
O.B.E.)

„ „ the Attorney-General (MR. C. E. PURCHASE, Q.C.)

„ „ the Financial Secretary (MR. A. N. GOODE)

Official Members:

The Honourable MR. R. G. P. N. COMBE, M.C. (Resident, West
Coast)

„ „ MR. H. O. E. SYKES (Resident, Sandakan)

„ „ MR. J. E. LONGFIELD, O.B.E. (Resident, Labuan
and Interior)

„ „ MR. R. M. WOOD (Director of Public Works)

„ „ MR. J. L. GREIG (Director of Agriculture)

„ „ MR. J. M. WILSON (Director of Education)

„ „ MR. A. M. GRIER (Development Secretary)

„ „ DR. L. J. CLAPHAM (Director of Medical Services)

„ „ O.K.K. LAIMAN DIKI BIN SAIRAN

Nominated Members:

The Honourable MR. PHILIP LEE TAU SANG, O.B.E.

„ „ MR. J. MITCHELL, C.B.E.

„ „ MR. CHUNG CHAO LUNG

„ „ O.K.K. MOH'D. YASSIN BIN HAJI HASHIM, M.B.E.

„ „ O.K.K. MOH'D UGI BIN ALI

„ „ MR. R. B. LUTTER

„ „ MR. H. E. FOY

„ „ O.K.K. DATU MUSTAPHA BIN DATU HARUN

„ „ MR. KHOO SIAK CHIEW

COLONY OF NORTH BORNEO

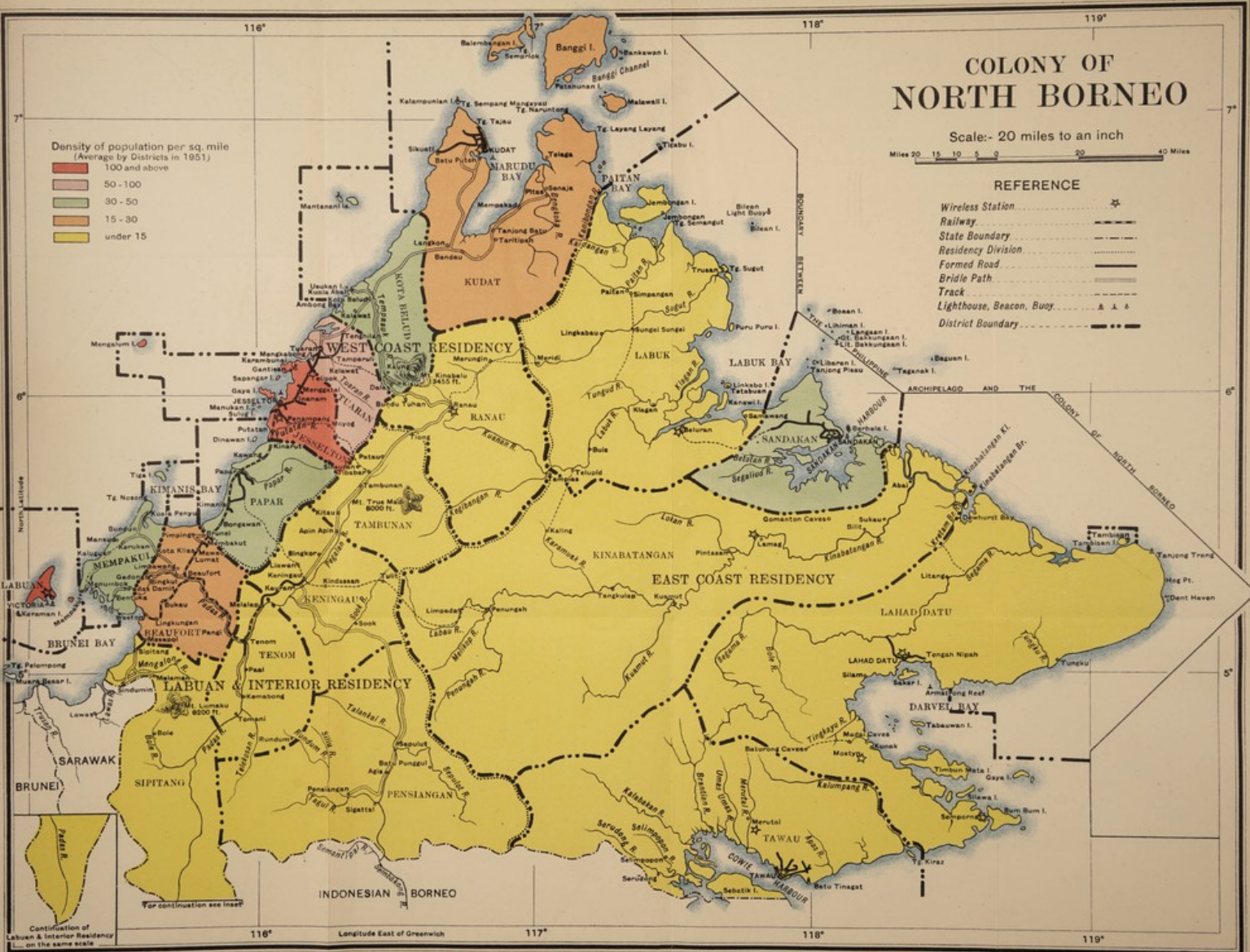
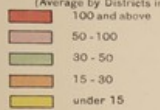
Scale: - 20 miles to an inch

Miles 20 15 10 5 0 20 40 Miles

REFERENCE

- Wireless Station
- Railway
- State Boundary
- Residency Division
- Formed Road
- Bridge Path
- Track
- Lighthouse, Beacon, Buoy
- District Boundary

Density of population per sq. mile
(Average by Districts in 1951)



Continuation of
Labuan & Interior Residency
on the same scale

Drawn by Survey Department, Jesselton, Colony of North Borneo

