

Custom no. at ZB. 408 in annex.



North Borneo

1956



LONDON
HER MAJESTY'S STATIONERY OFFICE
SEVEN SHILLINGS NET

COLONY OF NORTH BORNEO
ANNUAL REPORT, 1956

Published by Authority

*Published in Great Britain by
Her Majesty's Stationery Office*

1957

*Designed, printed and bound by the Technical Staff of the
Government Printing Department, North Borneo,
1957*

Contents

		PAGE
P A R T I		
Chapter 1	General Review	1
P A R T II		
Chapter 1	Population	11
2	Occupation, Wages and Labour Organisation ...	16
3	Public Finance and Taxation	22
4	Currency and Banking	32
5	Commerce	33
6	Production	
	Land Utilisation and Ownership	42
	Agriculture	47
	Animal Husbandry	54
	Drainage and Irrigation	57
	Forests	59
	Fisheries	67
7	Social Services	
	Education	69
	Public Health	77
	Housing and Town Planning	83
	Social Welfare	87
8	Legislation	94
9	Justice, Police and Prisons	
	Justice	96
	Police	97
	Prisons	103
10	Public Utilities and Public Works	
	Public Works Department	106
	Electricity	109
	Water	111
11	Communications	
	Harbours and Shipping	113
	Railways	119
	Roads	122
	Road Transport	124
	Air Communications	125
	Posts	129
	Telecommunications	130
12	Government Information Services, Broadcasting, Press and Films	133
13	Geology	140
P A R T III		
Chapter 1	Geography and Climate	146
2	History	
	History	152
	List of Important Dates in the History of North Borneo	159
3	Administration	162
4	Weights and Measures	167
5	Reading List	168

Appendices

TABLE OF APPENDICES	171
Appendices I to XIV	172

Illustrations

	PAGE
THE QUEEN'S BIRTHDAY PARADE AT JESSELTON (31ST MAY, 1956)	<i>Frontispiece</i>
TAMU AT TUARAN	<i>Opposite</i> 16
BAJAU CHIEF	<i>Between</i> 16-17
RICE CULTIVATION: PLANTING OUT SEEDLINGS	<i>Between</i> 16-17
RICE CULTIVATION: HARROWING PREPARA- TORY TO PLANTING	<i>Opposite</i> 17
THE CHARTERED BANK'S NEW OFFICE AT SANDAKAN	<i>Opposite</i> 48
THE NEW CUSTOMS AND MARINE OFFICE AT LABUAN	<i>Opposite</i> 49
THE BOMBAY BURMAH TRADING CORPO- RATION'S FOREST HEADQUARTERS AT KALABAKAN	<i>Opposite</i> 112
A VIEW OF THE RAILWAY BETWEEN BEAUFORT AND TENOM	<i>Between</i> 112-113
FERRY ACROSS THE PADAS RIVER AT TENOM	<i>Between</i> 112-113
RUBBER FUND BOARD CLONAL STUMP NURSERY AT TENOM	<i>Opposite</i> 113

Graphs

IMPORTS AND EXPORTS	<i>Opposite</i> 32
IMPORTS AND EXPORTS — VALUES BY COUNTRY OF ORIGIN AND DESTINATION ...	<i>Opposite</i> 33

Map

COLONY OF NORTH BORNEO	<i>Inside back cover</i>
-------------------------------	--------------------------

PART I

General Review

HIS Excellency Sir Roland Turnbull, K.C.M.G., who received a Knighthood in the New Year's Honours List, administered the Government of the Colony throughout 1956. In June, Mr. B. J. O'Brien, C.M.G., who had been Chief Secretary since March, 1953, left the Colony on retirement. His place was taken by Mr. R. N. Turner, C.M.G., who arrived in North Borneo in September.

The year, in which both the seventy-fifth anniversary of the granting of the Royal Charter to the British North Borneo (Chartered) Company and the tenth anniversary of the cession of North Borneo to the Crown were celebrated, was again a prosperous one. The Colony maintained its enviable record of freedom from political strife and violence. The price of rubber, on which the well-being of the Colony still so largely depends, was nearly as high at the end of the year as the average price obtained during 1955, when it had been consistently higher than at any time since the boom period of 1950-51. Exports of timber and copra rose substantially. The total value of the Colony's visible external trade was greater than in any other year during the history of North Borneo. The maintenance of production at such a high level was due largely to an appreciable increase during the year in the size of the Colony's labour force. Numbers of Indonesians, who had commenced coming to North Borneo of their own volition in 1953 to work on the hemp and rubber estates on the East Coast, continued to arrive during the year.

The island of Labuan became a free port on 1st September, thus regaining the position it had held, as a part of the Straits Settlements, until its occupation by the Japanese in 1942.

The reconstruction of the main towns proceeds apace. An extensive area has been reclaimed for building in the centre of Jesselton, where many temporary shops and some of the few pre-war buildings that miraculously survived the intensive bombing which preceded the liberation of the country in 1945 have now disappeared, to make way for new shophouses and offices built of more permanent and attractive materials. Sandakan is following the example set by Jesselton; the rebuilding of the commercial area there has now begun in earnest, the lead being taken by the two Banks, each of which opened new premises during the year. Good progress has also been made at Labuan, Tawau and a number of other towns, though generally speaking the reconstruction of the smaller towns has long since been completed.

The work of associating the people of the Colony in the management of their own affairs has continued. There are now four Town Boards with unofficial majorities and control over their own finances, twelve Township Authorities with representative boards of official and unofficial members, and nineteen Township Authorities without such boards in which the District Officer exercises the powers of the Authority. A third Local Authority was constituted during 1956 under the Rural Government Ordinance. This was at Papar. Inaugurated on 1st July, it embraces the whole of the administrative district of Papar, including the townships of Papar, Kinarut, Kimanis and Bongawan. The Authority conforms to the same pattern as those established earlier at Kota Belud and Sipitang, and present indications are that it will prove as successful. In addition to the work of the statutory Authorities, very valuable progress has been made by the Residency and District Teams constituted in 1954. These Teams are comprised of representatives of Government Departments and of prominent local unofficials, and are under the chairmanship of the Resident or District Officer. They command wide support and have achieved much in the short time since their inception.

At the meeting of Legislative Council held in November, 1955, His Excellency the Governor outlined new arrangements which he had devised for the nomination of unofficial members of that Council and of Executive Council from panels of names submitted by various representative bodies throughout the Colony. By the end of 1956, all but two of the unofficial members of Legislative Council had been appointed in accordance with these arrangements.

Three important items of Government policy attracted public attention during 1956. These were forest policy, education policy and the report of the 1956 Salaries Commission. Legislative Council Paper No. 34 of 1955 sought to secure the establishment of the forest industry as a permanent factor in the economy of the Colony through the imposition of strict control over the operations of the great body of annual licensees and by this means to afford a measure of protection to the holders of long-term forest licences, to whom Government owed its principal responsibility. The Paper, which was debated in Legislative Council in April, met vigorous opposition. In June certain relaxations were made to the policy outlined in the Paper and the misgivings of the annual licensees appeared to a certain extent to have been allayed. Insofar as educational policy was concerned, an outstanding development during the year was the amendment of the Education Ordinance on the recommendation of a Select Committee appointed by the Governor in 1955 to provide for the establishment of a statutory Board of Education representative of all educational interests and all sections of the community.

The functions of the Board, which met for the first time in December, are to devise educational policy applicable to all schools and, as an ultimate goal, to assume responsibility as the chief instrument of Government in the field of education operating through the Department of Education and Local Education Committees. The report of the 1956 Salaries Commission, which was presented to Legislative Council in September, recommended overall increases in salary scales for Government servants. The report was accepted by Legislative Council and its principal provisions have now been introduced. Among its recommendations was the creation of a fully integrated structure within the civil service obviating the previous distinction between its "Senior" and "Junior" divisions.

A disturbing feature during 1956 was the occurrence of a number of fires in urban areas. Of these, two were particularly serious in Sandakan and one in Jesselton. The largest occurred in Sandakan on the night of 23rd May when sixty-seven shophouses were totally destroyed and damage estimated at three million dollars was caused. The reasons for the fires have not been established. In each case the buildings destroyed were temporary structures erected after the war and the answer clearly lies in rebuilding in permanent materials at the earliest opportunity. The potential danger that temporary buildings represent and the advisability of insuring premises against fire have now been generally accepted by the commercial community.

The annual Conference of Native Chiefs was held in Jesselton in November. The purpose of the Conference was, as in previous years, to enable the leading representatives of the several Native communities to meet one another and discuss matters of common concern. For the first time the Conference was opened to the press.

A very considerable number of students from North Borneo, both men and women, are receiving higher education outside the Colony. The greater part of these students have been enabled to pursue their studies through generous assistance made available under the Colombo Plan. North Borneo's first barrister returned to the Colony from the United Kingdom in 1956. Two other men, both Chinese, returned from New Zealand, one having qualified as a solicitor and the other having gained a Bachelor of Commerce degree.

The Colony was visited during 1956 by three expeditions from overseas: a British Museum ornithological expedition, which spent approximately five months on the East Coast and collected a large number of specimens; a Cambridge University expedition consisting of three under-graduates and a member of the University staff, which studied the economy, agriculture and way of life of the Tambunan Dusuns and collected flora and fauna; and an

expedition organised by the Chicago Natural History Museum for the observation and collection of insects, fish, reptiles and mammals.

North Borneo was represented, for the first time, at the Olympic Games held at Melbourne in November and December, when two locally-born and locally-trained athletes took part in the Hop, Step and Jump event. Both these young men were eliminated before reaching the finals; but in the circumstances it was a remarkable achievement and a great credit to the youth of North Borneo that the Colony was able to produce any athletes at all whose performance was up to the very exacting Olympic standards. Eyes and hopes are now fixed on the 1960 Olympiad.

Important visitors to the Colony during 1956 included:—

His Highness Sir Omar Ali Saifuddin, K.C.M.G., the Sultan of Brunei;

Professor Zelman Cowan, Dominion Liaison Officer for Colonial Service Recruitment, Australia;

His Excellency Sir Robert Scott, K.C.M.G., Commissioner-General for the United Kingdom in South-East Asia, and Lady Scott;

Vice-Admiral Sir Alan Scott-Moncrieff, K.C.B., C.B.E., D.S.O., Commander-in-Chief, Far East Station, and Lady Scott-Moncrieff;

Mr. Vernon Bartlett, C.B.E.;

Sir Harry Luke, K.C.M.G.;

Mr. D. G. E. Middleburg, the Netherlands Consul-General, and Mrs. Middleburg;

Miss Babara Coke, Director of Juniors, British Red Cross Society;

Mr. R. S. Marshall, C.B.E., Adviser on Animal Health to the Secretary of State;

Sir Alexander MacFarquhar, K.B.E., Regional Representative of the United Nations Technical Assistance Board;

Sir Sydney Caine, K.C.M.G.;

Dr. Herman Kartowisastro, Consul-General for Indonesia and Madam Kartowisastro;

Colonel W. A. Muller, C.M.G., Inspector-General of Colonial Police;

Mr. P. H. Jennings, C.B.E., Deputy Director-General of the Overseas Audit Service;

His Excellency Mr. G. L. Clutton, C.M.G., Her Britannic Majesty's Ambassador, Manila; and

Dr. C. E. Beeby, C.M.G., Director of Education, New Zealand.

Public Finance

The approved estimates for 1956 provided for a general revenue surplus of \$4.76 million at the beginning of the year and of \$1.58 million at the end of the year. When the accounts for 1955 were closed the actual revenue surplus was \$7.56 million and the latest indications are that the surplus at the end of 1956 will be about \$7.9 million.

The revised estimates for ordinary revenue for the year amounted to \$32.8 million compared with actual revenue of \$29.5 million during 1955. Of this total \$18 million was estimated to accrue from Customs receipts; \$4.4 million from licences and internal revenue; \$2.2 million from forest revenue; and \$1.3 million from Posts and Telegraphs receipts. The increase in revenue from Customs receipts was due in a large measure to the thriving re-export trade in copra.

The revised estimates for ordinary expenditure amounted to \$26.1 million, an increase of \$5.3 million over the amount actually expended in 1955. Expenditure on reconstruction and development was estimated at \$13.6 million, compared with \$16.5 million in 1955. This expenditure included \$4.5 million on Colonial Development and Welfare schemes.

The public debt of the Colony at the end of 1956 was \$8.7 million, which represented loans raised to finance electricity and water supplies, drainage and irrigation, telecommunications, sewage disposal and railway development and to reimburse the general revenues in respect of compensation paid for the relinquishment of timber rights.

Most commodities are subject to Customs import and export duties. Important changes made in the tariff during the year were a reduction in the export duty on hemp for a period of five years; an exemption from the payment of export duty on cocoa produced in the Colony for a period of ten years; and an increase in the import duties on tobacco, cigarettes, beer, wines and spirits.

Commerce

The total value of the Colony's visible external trade in 1956 amounted to \$238.3 million, exceeding the total for the previous year by \$45.9 million. There was a favourable trade balance of \$3.5 million. Imports for the year totalled \$117.4 million, the highest total ever recorded, and exports amounted to \$120.9 million. Provisions (valued at \$19.3 million) were, as in 1955, the most valuable single item imported. Machinery (\$10.2 million), metals (\$8.6 million), rice (\$8.3 million) and textiles and wearing apparel (\$8.3 million) were next in order of value.

The price of rubber fell during the early part of the year; by December, however, it had risen again and was not very appreciably lower than the price in the preceding January. Exports of rubber totalled 19,900 tons valued at \$40.3 million. Exports of logs and sawn timber amounted to \$15.7 million cubic feet valued at \$26.2 million. Copra exports increased by sixty-eight per cent. in quantity, on account largely of the re-export trade that has developed at East Coast ports. Whereas in 1954 26,600 tons of copra valued at \$13.8 million were exported, the figures for 1956 were 69,200 tons valued at \$23.3 million. Exports of estate tobacco declined in quantity but showed a slight increase in value. Exports of cutch increased slightly, but the quantity and value of hemp exports fell.

The United Kingdom continued to be the Colony's principal market for imports as well as for exports. Both imports and exports to the United Kingdom showed considerable increases over the figures for 1955; however, in the case of imports there was a slight fall in the percentage *vis-a-vis* total imports. Malaya, Hong Kong, Japan and the Philippine Islands were also important markets. Japan continued to be the largest importer of the Colony's timber, with Hong Kong, Australia and the United Kingdom taking the next places. Rubber was exported principally to Malaya and the United Kingdom; copra to the Netherlands and other European countries; hemp to the United Kingdom and Japan; tobacco to the United Kingdom; and cutch to the United States of America and Japan. All of the export trade in firewood was with Hong Kong.

Production

Although the timber industry has grown greatly in importance in recent years and hopes are entertained for the development, in due course, of exports of hemp and cocoa, rubber still continues to be the corner-stone of the Colony's economy. The total planted area of rubber is estimated to be 128,000 acres, of which no more than fifteen per cent. is planted with high yielding material. The great majority of all rubber trees in the Colony were planted more than twenty years ago. These factors alone have drawn attention to the necessity for a vigorous campaign to stimulate and assist new planting and replanting throughout the Colony. The Rubber Fund Board, a body corporate representative of all rubber interests in the Colony, was established by Ordinance in 1950. It has paid close attention to the problems of the rubber industry and in 1955 introduced two planting schemes. These schemes are financed from a cess of two cents per pound levied on all rubber exported. The Board maintains its own nurseries for the production of rubber stumps and budwood. Smallholders

throughout the Colony are definitely "rubber conscious" and with the funds and planting material at its disposal the Rubber Fund Board has been able to accept only some sixty per cent. of applications for assistance.

The 1955-56 padi crop proved to be better than average and yielded, it is estimated, 52,493 tons of padi (equivalent to 32,545 tons of milled rice). Approximately one-third of the Colony's rice requirements are imported, chiefly from Thailand. With the exception of a quota system introduced to facilitate the maintenance of a stock pile of rice held in commercial hands the trade in rice is free of all controls. Notwithstanding the good harvest imports of rice rose from 15,000 tons during 1955 to 19,200 tons.

Virus disease of Manila hemp continues to restrict the development of the abaca industry on the East Coast. Production and exports fell slightly during the year.

Other agricultural products of importance are coconuts, tobacco (both estate and Native grown) and short-term crops such as maize, groundnuts and soya beans, which are grown extensively throughout the Colony. Experiments carried out with cocoa have so far been most encouraging. The Agricultural Department has planted two small experimental stations at Ranau and during 1957 it is proposed to establish a large scale cocoa research station at Tawau, where the rich volcanic soils have already been demonstrated to be suitable for cocoa cultivation. Messrs. Borneo Abaca, Ltd., now have sixty acres under cocoa at Tawau and plan to undertake further planting. No cocoa is yet exported from North Borneo.

Timber production has increased rapidly since the termination, by agreement, of the British Borneo Timber Company's former monopoly over the Colony's forests. Exports in 1951 amounted to 4.1 million cubic feet valued at \$10.2 million; by 1956 they had reached 15.7 million cubic feet valued at \$26.2 million. The mainstay of the industry comprises four overseas companies, with whom 21-year extraction agreements were concluded in 1952, and three large local companies, two of whom are now working on special terms preparatory to the formal conclusion of similar long-term agreements. Government has also undertaken to examine the possibility of concluding long-term agreements with other local producers currently operating on short-term (annual) licences. Cutch, firewood, charcoal and birds' nests are other important forest products.

There has been little change in the fishing industry, which is confined almost entirely to small scale in-shore operations. Exports of high grade dried and salt fish are made chiefly to Singapore. Exports of marine shells for button manufacture are relatively insignificant.

Social Services

As already mentioned, an important event during 1956 was the establishment of a statutory Board of Education, representative of all interests in the Colony. In addition, it is significant that the total number of children receiving education in the Colony increased during the year by approximately twenty per cent. to 31,980 and the number of schools, both primary and secondary, from 262 to 282. These increases were on account principally of the rapid growth of Native Voluntary Schools; which is indicative of the importance now attached by the Native community to the value of education. Kent Teachers' Training College had another successful year, a total of 135 students undergoing training. Thirty-six students from North Borneo studied abroad by means of scholarships provided largely from Colonial Development and Welfare and Colombo Plan sources. Expenditure on education from Colony funds amounted to approximately \$1.2 million. In addition to this expenditure approximately \$169,000 was spent under Colonial Development and Welfare schemes in respect of Kent College and the construction of new Government schools.

There was no case of any of the major epidemic diseases in the Colony during the year. The high incidence of malaria and pulmonary tuberculosis continues, however, to present a very serious problem. There is hope that malaria may be effectively controlled or even totally eradicated within the foreseeable future, but tuberculosis presents far greater difficulty. This is one of the most serious public health problems in North Borneo. One-third of the Medical Department's annual expenditure is allocated for the purchase of drugs and X-ray films required for the treatment of tuberculosis. Much good work has been done by the *North Borneo Anti-Tuberculosis Association* in assisting in the fight against this disease. Work continued throughout 1956 on a pilot scheme for the control of malaria sponsored jointly by the Government, the World Health Organisation and the United Nations Children's Fund. It is expected that during 1957 a comprehensive plan will be completed for a Colony-wide scheme of malaria eradication. The task of rehabilitating the hospitals in the main towns is now nearing completion. The ophthalmologist appointed for the three British Borneo Territories visited North Borneo twice during the year and was able to see a large number of patients. Altogether 14,452 in-patients and 342,134 out-patients were treated at Government hospitals.

The several missionary bodies established in the Colony continued to do important work, not least in the field of education. Also active were the voluntary social welfare organisations, which included the War Victims Fund Board, the Leper Fund Committee, the Boy Scouts and Girl Guides, the Rotary Clubs of

Jesselton and Sandakan, the British Red Cross Society, the St. John Ambulance Brigade and the North Borneo Anti-Tuberculosis Association.

Development

A development plan was prepared in 1955 for the years 1956-60 inclusive which envisaged the expenditure of approximately \$47 million. Because of various factors, including the difficulty of finding the capital necessary for the financing of the programme, it became necessary to revise the plan and a modified scheme providing for the expenditure of approximately \$38 million in the years 1957-60 was prepared during the year. This plan has not yet received final approval.

Notwithstanding difficulties that have been experienced in the recruitment of supervisory technical staff it has been possible to undertake town road and main road construction in a number of centres and to extend yet further the net-work of earth roads being constructed to provide access to rural areas. The total mileage of formed roads in the Colony stood at 702 at the end of the year, compared with 648 at the end of 1955. The new timber and concrete wharf at Sandakan has been completed and work on the wharf at Jesselton is well advanced. With the exception of Tawau, where the present wharf is inadequate to meet the demands that recent developments have imposed upon it, all the large ports in the Colony now possess satisfactory berthing accommodation. In the Government building programme the two largest works undertaken were the construction of the new General Hospital and the Central Government Offices at Jesselton. A very considerable number of other building works were also undertaken at Jesselton and other towns and outstations throughout the Colony. Development in the field of telecommunications has been particularly satisfactory. An ambitious programme of VHF radio telephone development has been embarked upon, one of the outstanding features of which has been the establishment of a repeater station at Kamarangan, at an altitude of 7,000 feet on the southern slopes of Mount Kinabalu. All telecommunication services have proved popular and it has not been found possible to meet the demand.

The work of improving the standard of the railway line between Jesselton and Beaufort continues. Almost forty miles of the permanent way have now been reballasted with stone or sand. The shortage of locomotives has been relieved by the commissioning of three new powerful locomotives built in the United Kingdom. A number of goods waggons were also received during the year. A new diesel passenger train-set expected to arrive early in 1957 will greatly improve passenger services.

Improvements have been made to public utilities. Water supplies in urban areas are nowhere yet wholly satisfactory, but the standard of the supply at Sandakan has greatly improved and work on a new scheme for a fully adequate supply of purified water for Jesselton has commenced. New schemes have been inaugurated at Tawau and Tuaran. Private minor electrical undertakings were opened during the year at Beaufort and Tenom: electricity is thus now available at nearly all of the larger towns in the Colony. Proposals for the installation of small semi-automatic sets in the smaller centres of population have been approved. The most important development in the field of electricity was the enactment of legislation to provide for the constitution of an Electricity Board, which will come into being on 1st January, 1957.

Not one of the least important aspects of development has been the extension of the Information Services. Ever-increasing interest in the services offered by the Information Office has demanded as rapid development as resources permit. Transmissions from Radio Sabah have been increased, a programme in Kadazan introduced and a new medium wave transmitter to serve the Jesselton area brought into use. A press officer was appointed at the end of the year to handle the increased volume of press and publicity material with which the Department is required to deal. Interest in the library and reading room facilities has continued to grow.

The people of North Borneo are again deeply indebted to a number of external sources for generous financial assistance, technical advice and supplies of equipment. These sources include Her Majesty's Government, the donor nations of the Colombo Plan (particularly Australia and New Zealand), the United States of America, the World Health Organisation and the United Nations Children's fund. Without the assistance provided from these sources only a small proportion of the development that took place during 1956 would have been possible.

PART II

Chapter 1: Population

General

THE last census of population was held on 4th June, 1951. This was the sixth census that had been held in North Borneo, the others being taken in 1891, 1901, 1911, 1921 and 1931 respectively. A census proposed for 1941 was abandoned owing to the advent of war. Apart from two changes—the incorporation of the island of Labuan in 1946 and the handing over to the Philippine Government in 1947 of seven small islands lying off Sandakan which had, by arrangement with the United States Government, been administered by British North Borneo since 1907—the territory of North Borneo in 1951 remained the same as it had been in 1931. Direct comparison of the results of the 1951 census with those of the 1931 census was therefore possible.

The report of the census of 1931 gave the total population as 277,476 persons. In 1951 the total population had increased by 20.4% to 334,141 persons. The population on the 31st December, 1956 was estimated to be 389,122, made up as follows:

Indigenous	...	...	...	...	262,600
Chinese	...	...	...	...	92,856
European (including Eurasian)	...	...	...	...	1,794
Others	...	...	...	...	31,872
				TOTAL	389,122

1951 Census

The detailed report of the 1951 census was published in 1953. This shows that since 1931 the native population increased by 18.4% from 205,218 to 243,009; the Chinese population by 48.6% from 50,056 to 74,374; and the number of Europeans, including Eurasians, 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 on the East Coast 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.

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 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 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 census has revealed that only 36,369 persons, or slightly under eleven per cent. of the population, were born outside the country—an encouraging indication of the permanence of settlement of the immigrant peoples.

Native Peoples

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 community of Bajaus in the Kota Belud district is settled on the land

and has taken to cattle-farming and padi-planting on a considerable scale. Cattle-farming is probably the most important contribution of the Bajau people to the economy of the Colony.

Among the other indigenous communities the most important are the Bruneis and Kedayans who amounted to 22,312 persons as against 13,664 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.

Chinese

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 mainly 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.

Europeans

The European community, while numerically small, is economically very powerful. The majority of the Europeans 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.

Other Races

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 Police and have acquired land and settled down, some becoming dairy farmers in the vicinity of the principal towns.

Religion

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.

Population in 1956

A summary of registered births and deaths during 1956 is as follows:

				<i>Births</i>	<i>Deaths</i>
Indigenous	...	...	...	7,381	3,035
Chinese	...	...	...	4,184	634
European (including Eurasian)	...	...	...	42	6
Others	...	...	...	848	235
				<hr/>	<hr/>
			TOTAL ...	12,455	3,910
				<hr/>	<hr/>

The following is a summary of arrivals and departures through the ports of the Colony during 1956:

				<i>Arrivals</i>	<i>Departures</i>
Indigenous	...	...	...	2,269	2,192
Chinese	...	...	...	6,710	6,501
European (including Eurasian)	...	...	...	2,004	1,935
Others	...	...	...	10,946	8,048
				<hr/>	<hr/>
			TOTAL ...	21,929	18,676
				<hr/>	<hr/>

Chapter 2: Occupation, Wages and Labour Organisation

Industrial Structure

THE industrial structure of North Borneo is undeveloped and simple, a very large proportion of the population being engaged in homestead farming. Superimposed on this basis are the plantations (rubber, hemp, tobacco and coconut) ranging in size from a maximum of about 20,000 acres to a minimum of five or ten acre holdings operated by a family with occasional hired help, and the timber and firewood industries; next there are small processing industries serving the limited needs of the 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.

Employment

The most recent figures covering occupation of persons are provided by the 1951 census. This showed that 140,629 persons or 42.1% of the total population was at that time gainfully employed. The figure was lower than the corresponding figure for the 1931 census (141,268 persons: 52.3%) for three reasons; firstly, no children under fifteen years of age were included; secondly, double the number of children were attending school; and thirdly, the structure of age and sex in the population has changed considerably. The 1951 census showed the following numbers engaged in different occupations:—

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 at that time engaged in agriculture and 23,331 in the cultivation and production of rubber.

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



Tamu at Tuaran.

(E. P. Dallimore)



Bajau Chief.

(R. Knowles)



Rice Cultivation: Planting out Seedlings.

(R. Knowles)



Rice Cultivation : Harrowing Preparatory to Planting.

(R. Knowles)

The census 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 half of the Bajau and other indigenous communities were engaged in agriculture; these races take an active part in the timber, rubber, coconut, boat building and fishing industries. The increased interest of the indigenous people in wage-earning employment has been a significant post-war trend and they at present constitute 52.1 per cent. of the labour force of the Colony. This proportion has remained remarkably constant through the last five years despite accretions to the labour force of workers entering temporarily from outside the Colony.

The total labour force, based on statistics provided by employers of twenty or more workers on 31st December, 1956, stood at 27,071 as compared with 24,382 at the end of 1955. This increase of eleven per cent. is the more remarkable since the labour force had remained comparatively steady from 1952, by which time normal conditions had been re-established following upon the dislocation produced by the war. Despite this increase there is no appreciable unemployment in the Colony nor is there any seasonal fluctuation in employment.

Immigrant Labour

The demand for artisans and semi-skilled workers for building construction has remained steady. The Government has continued to apply a policy of permitting the temporary entry of skilled and semi-skilled workers from Hong Kong and Singapore for employment with established construction and engineering firms, especially with those which have taken up the larger Government and private contracts which have been offered in the course of reconstruction. Hong Kong is the chief source of these workers and they are recruited with the agreement, and under the supervision of, the Hong Kong Government under conditions which fully comply with all relevant international obligations. There is a constant turnover of these workers, the numbers employed in the Colony at any one time being about 1,100. The workers include skilled technicians required to operate and maintain mechanical equipment both for Government and for commercial concerns where these cannot at present be obtained by engaging trained local personnel.

The increase in the entry of Indonesian workers, mainly from Timor and the Celebes, is one of the most significant causes of the increase in the labour force during the year. These workers

come of their own initiative to East Coast ports to look for work in North Borneo, but their employment has now spread to most districts including those on the West Coast and in the Interior.

An agreement was concluded with the Government of the Republic of the Philippines in 1955 to facilitate the recruitment of workers and settlers to North Borneo. Action taken by employers, however, to recruit under the terms of this agreement has been disappointing. This is attributable partly to doubts, on the part of employers, as to the interpretation of one of the clauses in the agreement and partly to their being able, temporarily, at any rate, to fill their labour shortages from other sources.

Wages and Conditions of Employment

There is now little variation in wages and earnings between different districts within the Colony. Such differences as remain are largely the result of varying local costs of living. Almost all agricultural work and much industrial work is performed on piece-rates. There were no general wage increases during 1956. The earnings of workers in the rubber industry, and to a lesser degree in other industries, have followed fluctuations in the world prices of the commodities produced. There have been no marked fluctuations in wages paid to skilled workers, which continue to be comparatively high. 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. In the plantation industries where workers normally live at their place of employment housing is provided for workers as an addition to their wages in accordance with specified minimum standards.

All hours of employment are based upon an eight-hour day and six-day week laid down by the Labour Code. Work in excess is paid for at overtime rates. Prescribed holidays with pay are also laid down under the Code. In practice, many workers are satisfied to work less than the maximum number of hours permissible by law.

Cost of Living

The cost of living index which is drawn up on the cost of certain basic commodities consumed by all sections of the community remained comparatively steady until the last quarter of the year. There were then rises in the cost of certain food-stuffs and miscellaneous items as a result of political events in the Near East, increases in local shipping rates and other factors. Figures for an average monthly budget for workers of various

rates in the Colony collected by the Department of Labour and Welfare are as follows:

Workers Monthly Budget	1954	1955	1956	% $\frac{\text{Decrease}}{\text{Increase}}$	
				1955-1956	
<i>Natives</i>					
	\$	\$	\$		
Foodstuffs	30.29	31.33	33.73	+ 7.7%	
Clothing and bedding ...	5.20	4.56	4.92	+ 7.9%	
Miscellaneous	13.48	11.48	15.46	+34.7%	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	\$48.97	\$47.37	\$54.11	+14.2%	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Chinese</i>					
	\$	\$	\$		
Foodstuffs	34.62	33.26	36.79	+10.6%	
Clothing and bedding ...	5.95	5.26	5.61	+ 6.6%	
Miscellaneous	11.96	10.91	13.11	+20.2%	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	\$52.53	\$49.43	\$55.51	+12.3%	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

A table showing the middle and end of year prices of certain basic foodstuffs in Jesselton is given below:—

	1955		1956	
	June	December	June	December
Rice (per gantang) ...	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Flour (per kati) ...	0.25	0.25	0.30	0.30
White sugar (per kati) ...	0.30	0.30	0.30	0.35
Meat (per kati) ...	1.75	1.95	1.60	1.80
Fish (per kati) ...	1.33	1.60	1.60	1.60
Vegetables (per kati) ...	0.37	0.57	0.40	0.50
Milk (per 14-oz. tin) ...	0.70	0.70	0.70	0.70
Hen's eggs (each) ...	0.20	0.20	0.20	0.18
Tea (per lb.) ...	4.64	4.96	4.70	4.70
Coffee (per kati) ...	2.12	1.90	1.85	1.80

Labour and Welfare Department

The Department at present consists of the Commissioner, one Assistant Commissioner (an Administrative Officer) on the East Coast and an establishment of one Chinese Assistant Officer, one Labour Officer, three Labour Inspectors and ten other staff. Two offices are maintained: the headquarters office in Jesselton and an office serving the East Coast in Sandakan. Regular inspections at places of employment are carried out by officers of the Department. No employment exchanges at present exist.

Industrial Relations

There continues to be no marked change in the estate of trade unionism which is still embryonic. There was a slight increase in the number of trade disputes, but these were all of minor importance. Details are shown in Appendix II. 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 North Borneo along modern trade union lines is likely to be slow. Nevertheless the fostering of responsible trade unionism is the policy of the Government as being the best long-term means of ensuring industrial peace and mitigating the effects of changes which are inseparable from increasing industrialisation. The Commissioner of Labour and Welfare is the Registrar of Trade Unions for the Colony. No new trade unions were registered during the year. There are at present four trade unions registered with a total membership of about 500.

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

Labour Legislation

The Workmen's Compensation Ordinance passed in 1955 was brought into force on 1st February, 1956. Under this Ordinance there are substantial increases in the compensation payable to injured workmen and to the dependents of deceased workmen and there are also certain changes in procedure. By the terms of this Ordinance all workers except those in certain small limited classes are entitled to compensation in the event of injury during the course of their employment. During November rules were made under the Ordinance requiring that, with effect from 1st January, 1957, compulsory insurance should be taken out by employers in the timber and firewood industries, where there is a relatively high incidence of accidents. The prescribed paid holidays under the Labour Ordinance were also revised and with effect from 1st January, 1957 all workers will receive seven paid holidays annually. No other important legislation was introduced during the year.

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 were

no significant changes during the year. Conventions have been applied in North Borneo as follows:—

(a) without modification	...	...	20 Conventions.
(b) with modifications	...	...	9 Conventions.
(c) inapplicable owing to local conditions	...	...	17 Conventions.
(d) decision reserved pending the enactment of legislation	...	...	8 Conventions.

Annual reports on the application of International Labour Conventions are submitted to the International Labour Office.

Safety, Health and Welfare

The provision of certain standards of housing, health and safety is required by the Labour Department under the Labour Ordinance (Cap. 67) and in addition there are provisions in the Machinery Ordinance (Cap. 75) governing the safety of workers. These standards are, where necessary, enforced by inspecting officers of the Labour Department. At most large places of employment additional welfare activities are carried out by the management.

The Department of Labour and Welfare is responsible for the administration of the Workmen's Compensation Ordinance (No. 14 of 1955). 380 accidents were reported in 1956 as compared with 264 accidents reported in 1955; in 316 of these cases agreements covering compensation amounting to \$117,268 were registered.

It was decided during 1956 that the Department of Labour and Welfare should accept responsibility for the organisation of machinery inspection and during November the Commissioner of Labour and Welfare was appointed Chief Inspector of Machinery.

Poor Law administration in the Colony is also the responsibility of the Department of Labour and Welfare. Details of the public assistance provided are given on page 87.

Industrial Training

Training and apprenticeship continue to engage attention as the best means of increasing the productivity of the Colony's limited manpower. Several employers and Government Departments 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 by the Government Trade School, which is mentioned on page 73.

Labour Advisory Board

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

Chapter 3: Public Finance and Taxation

THE approved estimates for 1956 provided for a general revenue surplus of \$4.76 million at the beginning of the year and of \$1.58 million at the end of the year. When the accounts for the year 1955 were closed the actual general revenue surplus was \$7.56 million and the latest indications are that the surplus at the end of 1956 will be about \$7.9 million.

The 1956 estimates were framed to show separately the Ordinary Budget and the Development Budget. The former practice of showing the general revenue surplus as part of the Development account has been discontinued because of the need to maintain a distinct reserve balance since the Colony was freed from United Kingdom Treasury control on 1st January, 1956. It was necessary to refund the \$2.7 million grant-in-aid received from Her Majesty's Government in 1954 as the expected deficit for that year of \$2.8 million, which the grant-in-aid was intended to meet, did not materialise. \$1 million was refunded during 1956 and the balance of \$1.7 million falls to be repaid during the first quarter of 1957.

The approved estimates for 1956 provided for a contribution of \$4.85 million from the Ordinary Budget to the Development Budget. In the event this contribution was increased to \$6.5 million.

The improvement of the financial position is partly due to the price of rubber being higher than the basis used for calculation of export duty revenue. Another important factor has been the thriving re-export trade in copra. These factors also had a beneficial influence on the revenue received from import duties. In the main, however, the healthy state of the Colony's finances is due to the steady progress of economic development of all kinds.

The accounts for 1956 have not yet been finally closed. The revised figures shown below for 1956 are therefore provisional:

	ORDINARY REVENUE			
	1954	Actual 1955	Estimated 1956	Estimated 1956 (Revised)
	\$	\$	\$	\$
Customs	11,954,835	16,545,767	13,806,000	17,985,000
Forests	1,714,849	2,040,059	1,983,000	2,222,600
Lands	802,700	777,662	759,500	775,800
Licences and Internal Revenue ..	3,465,535	4,002,415	4,357,250	4,384,050
Fees of Court of Office, etc ..	583,346	696,003	673,200	798,260
Municipal	406,639	323,128	160,651	166,414
Light, Water, Power, etc. ..	459,762	682,913	700,000	765,000
Posts and Telegraphs	948,190	1,181,290	1,251,700	1,341,200
Rents, etc.	218,776	266,219	255,000	752,000
Interests	299,011	338,145	336,093	368,618
Port and Harbour Dues	585,505	748,823	637,000	805,170
Miscellaneous	* 1,708,678	1,663,048	1,632,016	1,706,355
Land Sales	648,521	264,473	110,000	750,000
Total Ordinary Revenue	23,796,347	29,529,945	26,661,410	32,820,467

NOTES:—* Includes arrears of Currency Profits.

EXTRAORDINARY REVENUE

	Actual		Estimated	
	1954	1955	1956	1956 (Revised)
	\$	\$	\$	\$
Contributions from proceeds of the realisation of former Japanese assets				
—War Damage Compensation ...	196,351	864,673	3,235,700	2,606,028
—Playing Fields, Youth Centres, etc. ...	61,675	214,567		
—Jeep Tracks, etc. ...	—	772,703		
Contribution from Foreign Operations Administration towards cost of reconstruction of wharves	689,947	912,576	58,000	801,282
Reimbursement from Loan Funds in respect of compensation paid on relinquishment of timber rights ...	* 3,374,672			
Colonial Development and Welfare Grants ...	3,615,086	4,272,041	5,401,703	4,513,488
Grants-in-aid from Her Majesty's Government †	2,700,000	—	—	—
Cash balance transferred from Supplies Account	—	—	—	‡ 1,450,000
Total Extraordinary Revenue ...	10,637,731	7,036,560	8,695,403	9,370,798
Total Revenue ...	34,434,078	36,566,505	35,356,813	42,191,265

NOTES:

* Includes reimbursement in respect of expenditure incurred during previous years.

† Being refunded (\$1 million in 1956—\$1.7 million in 1957).

‡ Supplies Department closed on 31st December, 1956.

ORDINARY EXPENDITURE

	Actual		Estimated	
	1954	1955	1956	1956 (Revised)
	\$	\$	\$	\$
Charges on account of the Public Debt ...	163,314	326,627	326,628	326,628
Pensions, Retiring Allowances, Gratuities, etc.	693,530	1,051,366	777,273	1,147,273
Governor ...	117,747	140,333	120,771	142,190
Accountant-General ...	180,115	164,694	163,870	234,843
Administrator-General ...	32,344	35,778	30,450	39,109
Agriculture ...	264,261	373,453	603,940	652,896
Audit ...	91,881	81,792	83,535	104,213
Broadcasting and Information ...	*	83,944	109,410	155,342
Civil Aviation ...	221,325	173,927	286,262	492,874
Education ...	938,073	1,108,141	1,263,023	1,401,266
Forests ...	745,398	801,983	1,030,430	1,162,476
General Clerical Service	1,046,862	1,129,838	1,157,806	1,291,886
Judicial ...	67,875	114,925	83,678	133,804
Labour and Welfare ...	106,444	92,819	97,840	112,579
Lands and Surveys ...	511,288	534,991	573,840	637,014
Legal ...	52,949	39,367	55,305	61,751
Marine ...	445,901	428,917	556,710	532,967
Medical ...	2,143,384	2,295,495	2,306,165	2,822,689
Miscellaneous Services ...	254,605	1,009,135	851,306	† 2,148,196
Police ...	1,911,526	1,973,125	2,145,860	2,698,392
Posts and Telegraphs ...	1,055,645	1,202,371	1,232,391	1,338,548
Printing ...	187,925	263,062	253,440	307,217
Prisons ...	123,568	126,085	131,760	156,400
Public Works Department	470,442	478,186	686,210	713,079
Public Works Recurrent	1,610,986	2,418,545	2,704,000	2,979,000
Public Works Non- Recurrent ...	740,219	1,039,836	1,057,000	1,437,000
Railways ...	‡ 161,793	86,203	142,797	158,901
Residencies and District Offices ...	1,654,544	1,547,598	1,626,126	1,814,027
Secretariat ...	240,994	234,413	242,660	280,244
Township Authorities ...	*	101,002	111,117	115,893
Trade and Customs ...	368,733	328,159	359,090	437,762
Commissioner-General's Establishment ...	47,502	48,900	46,620	44,920
Total Ordinary Expenditure	16,651,173	19,835,010	21,217,313	26,081,379

NOTES:

* Previously included under Residencies and District Offices.

‡ Railways—

Revenue	1,209,483	1,319,976	1,302,720	1,555,720
Ordinary Expenditure	1,371,276	1,406,179	1,445,517	1,714,621
Deficit	161,793	86,203	142,797	158,901

† Includes refund of \$1,000,000 grant-in-aid.

RECONSTRUCTION AND DEVELOPMENT EXPENDITURE

	Actual		Estimated	
	1954	1955	1956	1956 (Revised)
	\$	\$	\$	\$
Borneo War Damage Claims Commission ... *	196,351	864,673	500,000	750,000
Harbours	856,233	1,284,954	1,540,700	1,081,015
Lands and Surveys ...	230,533	44,733	105,000	105,000
Marine	32,055	15,761	22,000	7,239
Miscellaneous Services ...	1,507,389	2,828,035 †	1,882,000	125,050
Posts and Telegraphs ...	194	39,618	9,000	9,000
Public Works Non- Recurrent	6,681,246	5,888,971	5,125,066	5,186,120
Railways	995,440	1,447,618	—	—
Colonial Development and Welfare Schemes ...	3,882,981	4,102,973	5,401,703	4,513,488
Interest-free loan to North Borneo Credit Corpn. *	—	—	1,000,000	1,000,000
Plant for Road Construc- tion Teams *	—	—	424,700	200,000
Playing Fields and Youth Centres *	—	—	189,000	72,000
Road Construction Teams *	—	—	122,000	68,500
Road Construction ... *	—	—	—	15,528
Interest-free loan to North Borneo Rubber Fund Board *	—	—	1,000,000	500,000
Total Reconstruction and Development ...	14,382,422	16,517,336	17,321,169	13,632,940
Total Expenditure ...	31,033,595	36,352,346	38,538,482	39,714,319

* Schemes financed from proceeds of the realisation of former Japanese Assets.

† Includes \$214,567 for provision of Playing Fields and Youth Centres and \$772,703 for Jeep Tracks and Roads financed by former Japanese Assets.

LOCAL AUTHORITIES

			Actual		Estimated	
	1954	1955	1954	1955	1956	1956 (Revised)
	\$	\$	\$	\$	\$	\$
Jesselton Town Board:						
Revenue	355,238	477,475	480,619
Expenditure	*366,033	504,742	*505,682
Sandakan Town Board:						
Revenue	227,654	200,582	255,662
Expenditure	191,574	201,753	243,592
Labuan Town Board:						
Revenue	116,223	124,050	129,428
Expenditure	113,202	117,670	124,695
Tawau Town Board:						
Revenue	62,057	124,528	126,283
Expenditure	52,777	124,524	116,326
Kota Belud Local Authority:						
Revenue—General	56,573	51,632	54,044
Subvention from Government	32,755	75,000	81,000
Transfer from Reserve Funds	—	—	9,500
Loan from Government	20,800	—	8,500
				110,128	126,632	153,044
Expenditure	69,974	146,027	132,167
Papar Local Authority †						
Revenue—General	—	—	17,960
Subvention from Government	—	—	39,910
				—	—	57,870
Expenditure	—	—	51,629
Sipitang Local Authority:						
Revenue—General	32,559	14,347	27,425
Subvention from Government	15,000	43,000	48,700
				47,559	57,347	76,125
Expenditure	44,402	43,551	65,807

* Deficit met from surplus balances.

† Papar Local Authority was constituted on 1st July, 1956.

Public Debt

The Public Debt of the Colony at the close of 1956 was \$8,723,540. This represents the North Borneo 4% Inter-Colonial Loan 1964-69 and the North Borneo 5½% Inter-Colonial Loan 1966-71. The 4% Loan was raised during 1954, the price of issue being £97.15.0 per £100 stock. The amount of the Sinking Fund as at 31st December, 1956 was \$170,279. The 5½% Loan was raised during 1956, the price of issue being £98 per £100.

The expenditure on loan account during the three years 1954-1956 (including expenditure charged to advance account pending the raising of loans) can be summarised as follows:

Water Supplies	...	...	...	\$ 1,560,075
Electricity Supplies	...	...	...	1,528,477
Drainage and Irrigation	...	...	...	80,500
Telecommunications	...	...	...	271,008
Sewage Disposal	...	...	...	142,000
Railway Development	...	...	...	3,307,000
Compensation for surrender of timber rights				3,374,672
				<hr/>
				\$10,263,732
				<hr/>

TAXATION

Customs Tariff

The principal Import Duties are those levied on wines, spirits, tobacco, machinery, petroleum products, perfumery and cosmetics, footwear, metal manufactures, rice, sugar, tea, milk and milk powder, confectionery, motor vehicles and accessories and textiles. Certain types of goods of Commonwealth origin are admitted at preferential rates of duty. In general, items not covered by the Free Import List and not specifically mentioned in the Import Tariff attract duty at the rate of 10% ad valorem. The Free Import List includes (subject to specified conditions) goods imported from Sarawak and Brunei on which import duty has been paid in either of those territories, building materials, fish, livestock, meat, medical preparations (B.P.C.), educational supplies, and materials for the packing of local produce.

The Export Tariff provides for duties on agricultural and forest produce, livestock and animals, mineral produce, sea produce and timber. Where specific mention is not made of any item in either the Export Tariff or Free Export List, a duty of 5% ad valorem is charged. The Free Export List includes (*inter*

alia) any articles, animals or goods which have previously been imported into the Colony, gambier, pepper and certain other articles approved by the Conservator of Forests and Commissioner of Trade and Customs.

The Transit Tariff covers coal and timber only.

The following were the principal changes made in the tariff during 1956:—

- (a) a reduction in the export duty on hemp from 10% to 5% for a period of five years from 1st January, 1956;
- (b) exemption from the payment of export duty on all cocoa produced in North Borneo for a period of ten years from 1st January, 1957;
- (c) an increase in the import duties on tobacco, cigarettes, beer, wines and spirits with effect from 4th December, 1956.

Stamp Duties

Stamp duties are imposed on all documents required to be stamped under the provisions of the Stamp Ordinance (Cap. 137). 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 (Cap. 102) (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 \$3.00 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 1956 was \$64,000 to the Government and \$9,000 to Local Authorities.

Income Tax

Income tax is levied on chargeable incomes accruing in, derived from or received in the Colony and the rates are as follows:

Companies and non-resident persons	... ..	40%
(Non-residents who are British subjects or British protected persons are eligible for proportionate personal reliefs at the rates applicable to residents.)		

Individuals—

On the first \$12,000 of chargeable income	...	3½%
„ „ next 12,000 „ „ „	...	5%
„ „ „ 28,200 „ „ „	...	10%
„ all chargeable income in excess of \$52,200	...	20%

Personal allowances—

unmarried person	... ..	\$2,400
married couple	... ..	3,000
children—each child \$600 subject to a maximum allowance of \$1,200. The allowance may be increased to actual cost of education (subject to a maximum of \$1,200 for one child and \$2,400 for two or more children) where children are being educated elsewhere than in British Borneo.		

Deductions are also allowed subject to certain limits in respect of life assurance premiums and contributions to approved pension or provident funds.

Double taxation arrangements are in force with the United Kingdom, Sweden, Denmark and Norway.

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 twenty-five persons at any one time to \$50.00 for the business of a shipper engaged only in the carriage coastwise of passenger or cargo. Fees are levied on a lower scale in rural areas and small towns.

Estate Duty

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

STATEMENT SHOWING THE ACTUAL ASSETS
AND THE PROVISIONAL ASSETS AND LIABILITIES

LIABILITIES	Actual 31st December, 1955			Provisional 31st December, 1956		
	\$	\$	\$	\$	\$	\$
Drafts and Remittances	—	—	2,996	—	—	3,000
Deposits	—	—	3,929,013	—	—	1,500,000
SPECIAL FUNDS:—						
Custodian of Property	—	463,132	—	—	463,000	—
Administrator of Japanese Property	—	3,593,674	—	—	700,000	—
Rubber Fund Board	—	74,926	—	—	70,000	—
State Bank of North Borneo, Sundry Deposits	—	144,030	—	—	—	—
North Borneo Widows' and Orphans' Pensions Fund	—	615,013	—	—	800,000	—
Chee Swee Cheng Scholarship Fund	—	8,202	—	—	8,300	—
North Borneo Central Library Bequest Fund	—	3,116	—	—	3,200	—
Resident Scholarship Fund, Govern- ment English School, Labuan	—	3,410	—	—	3,600	—
Wee Guan Toh Scholarship Fund	—	2,788	—	—	2,900	—
Colonial Scholars (Colonial Deve- lopment and Welfare Scheme D 694)	—	3,014	—	—	3,000	—
Pauper Fund	—	38,614	—	—	50,000	—
Colonial Development and Welfare Grants	—	762,133	—	—	—	—
	—	<u>5,712,052</u>	—	—	<u>2,104,000</u>	—
North Borneo 4% Inter-Colonial Loan 1964/69	—	6,532,543	—	—	6,532,543	—
Less: Expenditure—						
1954	4,584,774	—	—	4,584,774	—	—
1955	1,077,869	—	—	1,077,869	—	—
1956	—	5,662,643	869,900	469,900	—	400,000
		<u>6,132,543</u>		<u>6,132,543</u>		
North Borneo 5½% Inter-Colonial Loan	—	—	—	—	2,193,012	—
Less: 1966/71 Expenditure 1956	—	—	—	—	2,193,012	—
					<u>651,000</u>	
Joint Consolidated Fund	—	—	—	—	—	651,000
Other Governments and Administra- tions Development Account	—	—	64,765	—	—	—
	—	—	—	—	—	5,000,000
GENERAL REVENUE BALANCE:—						
Surplus 1st January	—	7,611,246	—	—	7,565,000	—
Add: Surplus and Deficit Account	—	214,159	—	—	586,000	—
	—	<u>7,825,405</u>	—	—	<u>8,151,000</u>	—
Less: Depreciation of Investments	—	260,307	7,565,098	—	207,000	7,944,000
	—	<u>\$18,143,824</u>	—	—	<u>\$17,602,000</u>	—

AND LIABILITIES ON THE 31ST DECEMBER, 1955
LIABILITIES ON THE 31ST DECEMBER, 1956

ASSETS	Actual 31st December, 1955		Provisional 31st December, 1956	
	\$	\$	\$	\$
CASH:—				
With Banks—Current Account	243,335	—	291,000	
British North Borneo (Chartered) Company redeemed	7,790	—	11,000	
With District Treasuries	416,477	—	674,000	
In transit	44,839	—	—	
Joint Miscellaneous Fund	580	—	1,000	
With Agents	103,395	—	70,000	
Joint Consolidated Fund	5,520,000	—	—	
	<u> </u>	6,336,416	<u> </u>	1,047,000
SPECIAL FUNDS INVESTMENTS:—				
Rubber Fund Board	82,785	—	35,600	
North Borneo Widows' and Orphans' Pensions Fund	596,655	—	800,000	
Chee Swee Cheng Scholarship Fund	8,157	—	8,200	
North Borneo Central Library Bequest Fund	3,116	—	3,200	
Resident Scholarship Fund, Government English School, Labuan	3,410	—	3,500	
Wee Guan Toh Scholarship Fund	2,570	—	2,500	
	<u> </u>	696,693	<u> </u>	853,000
Surplus Funds Investments	—	8,517,495	—	8,310,000
Advances	—	2,593,220	—	5,277,000
Other Governments and Administrations	—	—	—	50,000
Colonial Development and Welfare Schemes	—	—	—	2,065,000
		<u> </u>		<u> </u>
		<u>\$18,143,824</u>		<u>\$17,602,000</u>

Chapter 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 fifty cents are being withdrawn from circulation as and when handed into treasuries, but they are still legal tender;
- (b) Cupro-nickel coins in denominations of 5, 10, 20 and 50 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 at the end of 1956 was \$49,402,525.

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: multiply by 10 and subtract one-seventh;
- (d) \$9 = 1 guinea;
- (e) \$60 = £7.

Banking

There were two banks operating in North Borneo during the year, the Chartered Bank (formerly known as the Chartered Bank of India, Australia and China) and the Hongkong and Shanghai Banking Corporation. Both have branches at Jesselton and Sandakan. The Chartered Bank also has branches at Kudat, Lahad Datu and Labuan, and the Hongkong and Shanghai Bank at Tawau and Labuan.

Both Banks provide Savings Bank facilities.

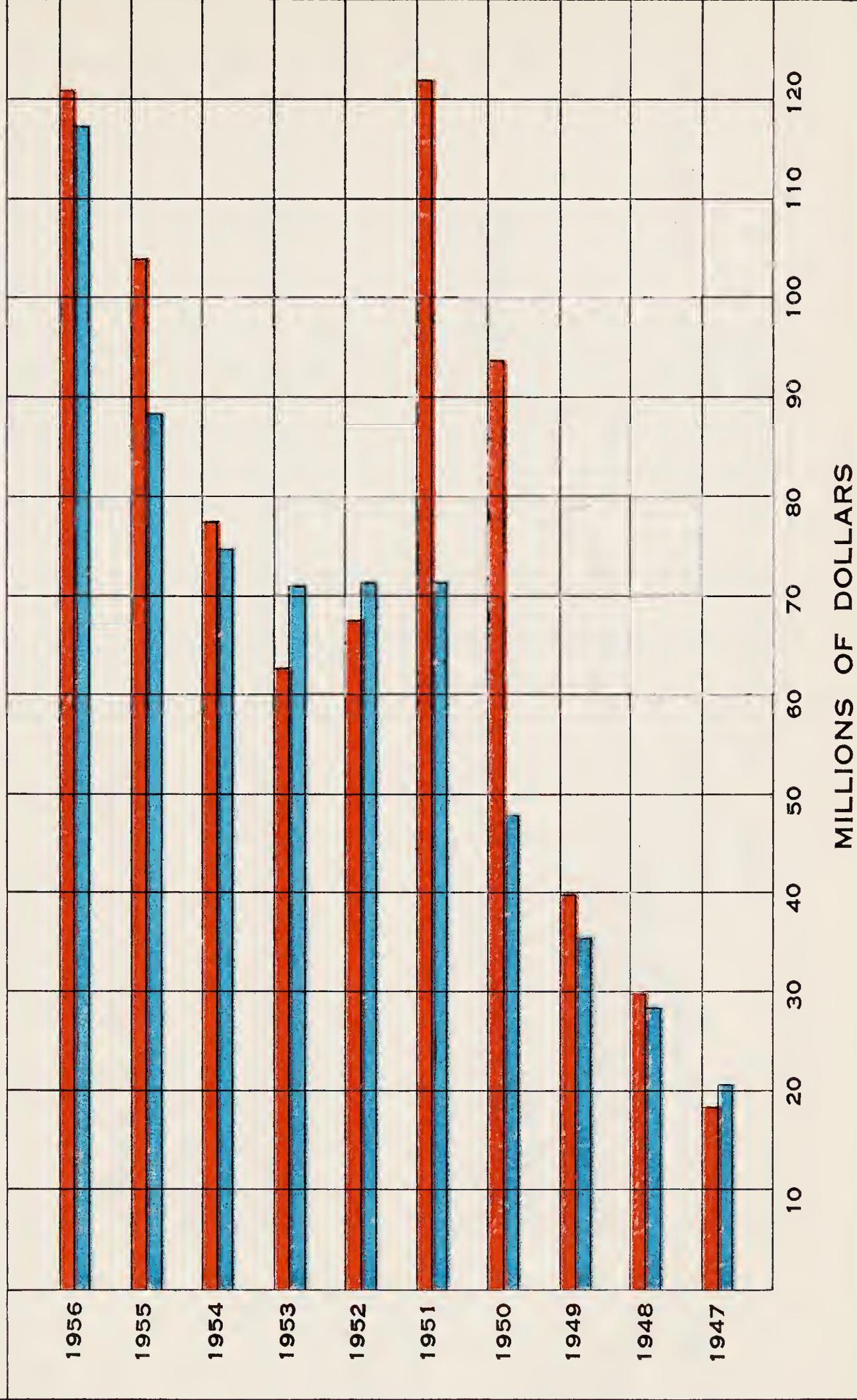
IMPORTS AND EXPORTS

(INCLUDING RE-EXPORTS)

1947 - 1956

IMPORTS

EXPORTS



1956 IMPORTS - EXPORTS

VALUES BY COUNTRY OF ORIGIN AND DESTINATION

EXPORTS

IMPORTS

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

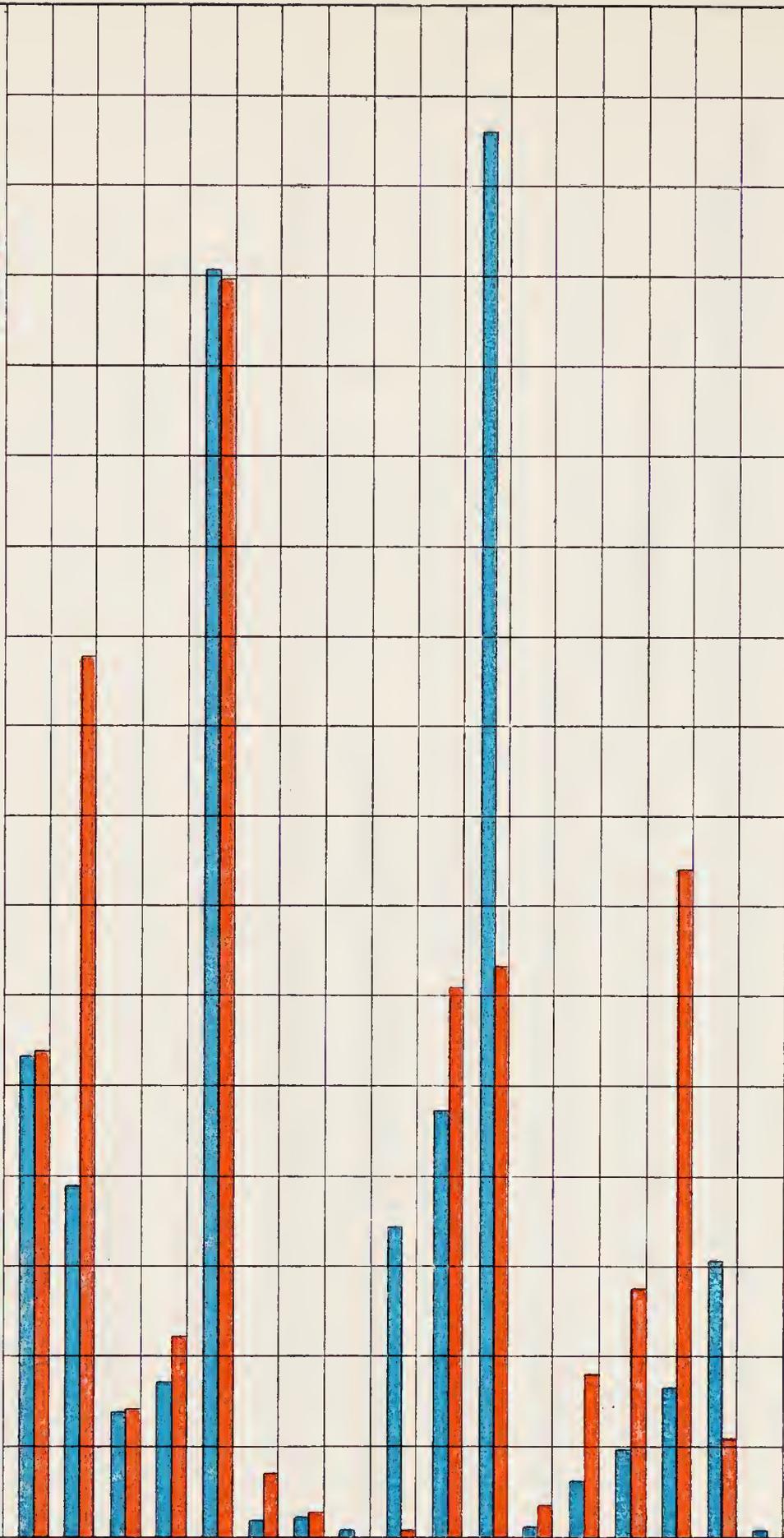
GERMANY

OTHER EUROPE

U.S.A.

OTHER AMERICA

MILLIONS OF DOLLARS



Chapter 5: Commerce

General

EXTERNAL trade in 1956 was valued at \$238.3 million, the highest annual total ever recorded. The value of imports into the Colony, including goods delivered into bond, totalled \$117.4 million and exceeded the corresponding figure for the previous year by \$29.8 million. Exports, including exports from bond and re-exports, aggregated \$120.9 million and exceeded the total for 1955 by \$16.1 million.

There was a favourable balance of visible trade amounting to \$3.5 million.

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

<i>Year</i>	<i>Imports</i> \$ million	<i>Exports</i> (including re-exports) \$ million	<i>Balance of Trade</i> (+) (-) \$ million
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
1955	87.6	104.8	+ 17.2
1956	117.4	120.9	+ 3.5

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

Rubber, timber and copra, in that order, were, as in previous years, the Colony's principal exports. Production of rubber has proved to be relatively inelastic; exports of timber and copra, on the other hand, have risen substantially during the past five years. Timber exports have increased from 3.1 million cubic feet in 1952 to 15.7 million cubic feet in 1956 and exports of copra (including re-exports) from 17,600 tons to 59,200 tons during the same period. It is largely to these increases that the improvement in the Colony's export trade has been due. Timber production has risen as a direct result of the termination in 1952, by agreement, of the timber monopoly held by the British Borneo Timber Co., Ltd., while copra exports have increased, notably during the past three years, on account of the thriving re-export trade that has developed on the East Coast.

There has, regrettably, been no marked increase in exports of any other commodity and the Colony's economy is still based upon rubber, with timber as an important second industry. Encouragement is being given to the planting of cocoa, particularly in the fertile volcanic soils of the Tawau Residency, and indications are that this crop will do well in North Borneo. The production of Manila hemp has again been limited by "bunchy top" virus disease, which has demanded ruthless destruction of diseased plants and has so far resisted all efforts at eradication.

The substantial increase in imports has been to a certain extent attributable to capital goods for general development but there has also been a marked rise in expenditure on consumer goods, including provisions and textiles.

The following table shows percentage changes in respect of the quantity, value and average price of the principal exports during 1956 as compared with the figures for 1955:

		<i>Quantity per cent</i>	<i>Value per cent</i>	<i>Price per cent</i>
Rubber	...	- 1.04	- 12.33	- 11.41
Timber	...	+ 19.13	+ 21.26	+ 1.83
Copra	...	+ 67.95	+ 64.53	- 2.04
Hemp	...	- 26.64	- 6.41	+ 27.57
Cutch	...	+ 7.85	+ 3.94	- 3.63
Tobacco	...	- 11.56	+ 7.51	+ 21.62
Firewood	...	- 45.77	- 38.23	+ 13.89
Dried Fish	...	+ 44.05	+ 113.87	+ 48.47

Imports and Exports

The following is a statement of the main imports and exports during the last five years:

			MAIN IMPORTS				
			1952	1953	1954	1955	1956
Provisions	...	(000 tons)	11.1	13.5	11.7	15.4	19.3
	...	(million \$)	9.5	10.0	9.3	13.0	19.3
Textiles and Apparel	...	—	—	—	—	—	—
	...	(million \$)	4.7	4.5	5.0	5.9	8.3
Rice	...	(000 tons)	14.1	10.4	7.9	15.0	19.2
	...	(million \$)	8.1	5.9	3.9	6.4	8.3
Tobacco, Cigars and Cigarettes	...	(000 lbs.)	702.4	650.7	770.4	733.6	730.4
	...	(million \$)	4.5	4.0	4.6	4.2	4.3
Sugar	...	(000 tons)	5.7	5.0	6.3	7.2	7.1
	...	(million \$)	2.9	2.2	2.7	2.5	2.6
Vehicles	...	(Nos.)	7,936	2,820	2,674	3,580	5,327
	...	(million \$)	3.1	1.9	2.8	2.2	3.3
Metals	....	(000 tons)	6.0	5.2	5.9	10.9	10.1
	...	(million \$)	5.3	4.5	5.3	7.5	8.6
Building Materials	...	(000 tons)	18.1	14.0	13.4	23.5	29.2
	...	(million \$)	3.4	2.3	1.3	2.1	2.8
Machinery	...	—	—	—	—	—	—
	...	(million \$)	5.8	8.4	8.4	6.9	10.2
Oils	...	—	—	—	—	—	—
	...	(million \$)	6.8	5.7	5.8	5.0	5.6
			MAIN EXPORTS				
Rubber	...	(000 tons)	19.1	16.8	17.1	20.1	19.9
	...	(million \$)	39.1	23.4	24.0	45.9	40.3
Timber (Logs and Sawn)	...	(mil. cu.ft.)	3.1	5.2	10.5	13.2	15.7
	...	(million \$)	8.3	12.3	17.4	21.6	26.2
Copra *	...	(000 tons)	17.6	15.3	26.6	35.2	59.2
	...	(million \$)	7.5	8.7	13.8	14.2	23.3
Firewood	...	(000 tons)	95.6	53.8	24.5	25.2	13.7
	...	(million \$)	3.1	1.0	.5	.5	.3
Tobacco	...	(000 lbs.)	286.2	142.9	311.3	342.5	302.9
	...	(million \$)	2.1	.6	3.5	3.2	3.4
Cutch	...	(000 tons)	4.0	4.9	5.6	4.1	4.4
	...	(million \$)	1.8	2.4	2.8	2.0	2.1
Dried and Salt Fish	...	(000 tons)	.7	.7	.6	.6	.8
	...	(million \$)	.6	.5	.5	.4	.9
Hemp	...	(000 tons)	.4	1.2	1.9	2.8	2.1
	...	(million \$)	.5	1.6	1.8	2.2	2.1

* Includes re-exports.

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:

TOTAL IMPORTS BY COUNTRY OF ORIGIN

	1955		1956	
	Value by Country of Origin	Percentage of Total	Value by Country of Origin	Percentage of Total
United Kingdom	\$22,913,987	26.82	\$28,184,137	24.69
Malaya	9,371,970	10.97	7,923,013	6.94
Hong Kong	6,723,347	7.87	10,685,507	9.36
Japan	7,586,531	8.88	9,509,708	8.33
U. S. A.	4,581,959	5.36	6,104,855	5.35
Philippine Islands	5,018,917	5.88	10,557,770	9.25
Australia and New Zealand	2,859,186	3.35	3,358,673	2.94
Thailand	7,193,701	8.42	9,395,656	8.23
Indonesia	2,687,628	3.15	6,152,423	5.39
Netherlands	1,239,876	1.45	1,392,083	1.22
Other European non-Common- wealth Countries	2,825,191	3.31	3,324,872	2.91
Formosa	2,210,057	2.59	2,529,515	2.21
India and Pakistan	1,882,747	2.20	1,862,791	1.63
Germany	1,264,278	1.48	1,939,787	1.70
China and Macao	2,284,883	2.67	4,437,354	3.89
Other Asian non-Common- wealth Countries	3,602,692	4.22	4,960,193	4.34
Other Asian Commonwealth Countries	399,914	.47	923,189	.81
African Commonwealth Coun- tries	212,787	.25	285,852	.25
Canada and British West Indies	215,581	.25	357,131	.31
African non - Commonwealth Countries	89,474	.10	92,422	.08
Indo-China	149,937	.18	113,301	.10
Other American non-Common- wealth Countries	85,141	.10	56,664	.05
Other European Common- wealth Countries	23,838	.03	20,603	.02
	<hr/>		<hr/>	
	\$85,423,622	100.00	\$114,167,499	100.00
Postal Articles	2,024,434		3,155,584	
Ship's Stores and Specie	138,801		125,831	
	<hr/>		<hr/>	
	\$87,586,857		\$117,448,914	
	<hr/>		<hr/>	

TOTAL EXPORTS BY COUNTRY OF DESTINATION

	1955		1956	
	Value by Country of Destination	Percentage of Total	Value by Country of Destination	Percentage of Total
United Kingdom	\$23,193,594	22.45	\$27,975,293	23.46
Other European non-Commonwealth Countries	9,895,733	9.58	14,804,914	12.42
Malaya	20,746,718	20.08	19,883,227	16.67
Hong Kong	10,562,305	10.22	10,775,703	9.04
Japan	8,677,698	8.40	12,256,454	10.28
Philippine Islands	5,203,676	5.04	11,959,090	10.03
Australia and New Zealand	4,461,100	4.32	4,352,181	3.65
Germany	7,092,488	6.86	5,592,776	4.69
U. S. A.	1,956,958	1.89	2,133,929	1.79
Other Asian Commonwealth Countries	2,530,290	2.45	2,792,477	2.34
Netherlands	6,680,265	6.47	3,691,959	3.10
African Commonwealth Countries	1,279,307	1.24	1,335,023	1.12
Indonesia	230,499	.22	349,772	.29
Other Asian non-Commonwealth Countries	295,815	.29	306,920	.26
Other American non-Commonwealth Countries	21,621	.02	—	—
China and Macao	15,514	.01	25,690	.02
Thailand	60,728	.06	2,510	—
Formosa	140	—	—	—
India and Pakistan	263,231	.25	2,204	—
African non-Commonwealth Countries	26,275	.03	569,554	.48
Canada and British West Indies	125,046	.12	430,795	.36
Indo-China	36	—	—	—
	<hr/>		<hr/>	
	\$103,319,037	100.00	\$119,240,471	100.00
Postal Articles	17,469		116,860	
	<hr/>		<hr/>	
	1,425,709		1,517,939	
	<hr/>		<hr/>	
Ship and Aircraft Bunkers and Stores	\$104,762,215		\$120,875,270	

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

	1954 <i>per cent</i>	1955 <i>per cent</i>	1956 <i>per cent</i>
<i>Rubber</i>			
Malaya	31.1	35.5	36.2
United Kingdom	34.1	32.9	36.6
Hong Kong	12.2	10.8	10.1
Germany	11.3	10.5	10.5
Other European non-Commonwealth Countries	8.3	9.3	5.6
U. S. A.	2.6	.4	.2
Netherlands ... ..	.4	.3	.3
Canada and British West Indies	—	.1	.4
Other Asian Commonwealth Countries	—	.1	—
Other American non-Commonwealth Countries	—	.1	—
Other Asian non-Commonwealth Countries	—	—	.1
	100.00	100.00	100.00
<i>Copra</i>			
Netherlands	15.4	44.4	14.8
Other European non-Commonwealth Countries	71.2	37.9	52.5
Germany	10.1	13.0	4.8
United Kingdom ... ..	.9	3.1	21.7
Malaya	2.4	.7	2.1
Other Asian non-Commonwealth Countries	—	.5	.5
Other Asian Commonwealth Countries	—	.3	—
China and Macao	—	.1	—
British Countries in America	—	—	1.0
South Africa	—	—	.1
African non-Commonwealth Countries	—	—	2.5
	100.00	100.00	100.00
<i>Hemp</i>			
United Kingdom	86.1	73.7	64.7
Japan	—	13.5	14.7
Germany	2.5	5.9	6.1
Netherlands ... ..	.8	2.4	2.0
Australia and New Zealand	2.2	2.3	8.9
Other European non-Commonwealth Countries	7.1	1.7	2.0
Malaya ... ..	.6	.3	—
South Africa ... ..	.7	.1	—
Canada and British West Indies	—	.1	—
U. S. A.	—	—	1.6
	100.00	100.00	100.00
<i>Estate Tobacco</i>			
United Kingdom	99.1	98.5	100.00
Netherlands	—	1.5	—
U. S. A. ... ..	.9	—	—
	100.00	100.00	100.00

	1954 <i>per cent</i>	1955 <i>per cent</i>	1956 <i>per cent</i>
<i>Cutch</i>			
U. S. A.	51.4	60.3	67.7
Japan	18.3	24.8	20.7
Other European non-Commonwealth Countries	5.8	7.5	8.4
Hong Kong	12.1	5.8	1.3
United Kingdom	7.4	.8	1.0
Netherlands ... ..	.9	.8	.7
Canada	—	—	.1
China	4.0	—	—
African non-Commonwealth Countries ...	—	—	.1
Germany ... ..	.1	—	—
	100.00	100.00	100.00
<i>Firewood</i>			
Hong Kong	100.00	100.00	100.00
<i>Timber</i>			
Japan	35.9	36.2	43.7
Hong Kong	17.8	20.5	21.4
Australia	18.8	19.7	15.6
United Kingdom	14.7	11.5	11.5
African Commonwealth Countries ...	6.4	5.9	5.0
U. S. A.	3.5	2.5	2.2
Germany ... ..	.1	1.1	—
Other Asian Commonwealth Countries	1.3	.8	—
Malaya ... ..	.6	.6	.1
Netherlands ... ..	.5	.7	.2
Other European non-Commonwealth Countries	—	.3	.1
African non-Commonwealth Countries	.1	.1	—
Canada and British West Indies ...	—	.1	—
Formosa ... ..	.3	—	—
New Zealand	—	—	.2
	100.00	100.00	100.00

Control of Imports and Exports

The direct importation of goods from U.S. dollar countries is closely restricted. Import licences are generally granted only in respect of machinery and plant essential for the development of the Colony which are not readily obtainable from Sterling Area sources.

The direct importation of goods from Japan is subject to quota, preference being given to building materials.

Goods of United States and Japanese origin may be imported freely from Singapore and under licence from Hong Kong.

The importation of rice is subject to licence. Import licences are issued by the Commissioner of Trade and Customs under a quota scheme administered by the Food Controller. No other food-stuff is subject to quota.

The export of certain commodities, particularly strategic materials, is prohibited except under licence issued by the Commissioner of Trade and Customs.

Customs Administration

The Department of Trade and Customs is administered by the Commissioner of Trade and Customs and has its headquarters at Jesselton. Assistant Commissioners of Customs control the stations at Labuan, Jesselton, Sandakan and Tawau. At Lahad Datu the District Officer, assisted by Customs staff, acts as Officer in Charge of Customs; at Kudat a senior Customs clerk is the Officer in Charge of Customs; and at Sindumin, Sipitang, Weston, Mempakul and Semporna the stations are run by Customs Examiners. The Customs station at Wallace Bay is staffed by a Customs Clerk and a Customs Examiner on temporary posting from Tawau. Ships calling at Kennedy Bay, Bohihan Island and Tanjong Kapur are supervised by Customs Examiners from Lahad Datu and Sandakan.

Legislation

During the year the Department of Trade and Customs was responsible for the administration of the Customs Ordinance (Cap. 33), the Liquors Revenue Ordinance (Cap. 73) and the Opium and Chandu Ordinance (Cap. 91), and Rules and Orders made thereunder.

Statistics

The production of trade statistics by mechanical process on the basis of the Standard International Trade Classification was commenced in 1955 with assistance under a Colonial Development and Welfare Scheme. The mechanical equipment, which consists of three automatic key-punches, one auto-verifier and one hand punch, is installed in a special room in the Customs House, Jesselton. The preparation of trade statistics, which was previously under Secretariat control, came under the direct control of the Department of Trade and Customs in 1956. The statistical data is compiled in Jesselton and collated and tabulated by the Department of Trade and Customs, Sarawak. The printing of the quarterly publication *North Borneo Statistics—External Trade* is undertaken by the Government Printing Department, Sarawak. These publications are forwarded to Jesselton and are available from the Information Office.

Labuan

Up to the time of its occupation by the Japanese in 1942, Labuan, which was then part of the Straits Settlements, enjoyed free port status. From the date of the island's incorporation into

the Colony of North Borneo (15th July, 1946), it became subject to the same tariff conditions as the rest of the Colony. For the purpose of encouraging trade and the development of a useful *entrepot* port to serve North Borneo, Brunei (and the oil-fields) and Sarawak, and possibly Indonesia and the Philippines also, a decision was taken during the year to reconstitute the island a free port. This was done by means of the Customs (Amendment No. 2) Ordinance, 1956 under which all Customs export duties and all import duties, other than duties on intoxicating liquor, tobacco, cigars, cigarettes and petroleum products, were removed.

During November the Free Port Committee of Labuan held a trade conference to publicise the new status of the island. This was attended by delegates from a number of neighbouring countries. On the conclusion of the conference the Committee resolved itself into a permanent Free Port Guild with headquarters in Victoria.

Barter Trade

There is a considerable barter trade at the ports on the East Coast of the Colony. Copra, sea-shells, scrap metal, sugar, coffee, rubber, jelutong, pepper, and other items of native produce are imported in small native craft which export in exchange cigarettes, textiles, wearing apparel, machinery, mangrove bark and various other goods.

Chapter 6: Production

LAND UTILISATION AND OWNERSHIP

Land Utilisation

THE area of the Colony is 29,388 square miles, of which the greater part is covered with jungle, unpopulated and without communications other than jungle tracks and rivers negotiated with difficulty. The greater part of the population is settled in the West Coast and Interior Residencies. 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 rivers, is largely uninhabited.

All unalienated land is the property of the Crown. Forest reserves at present constitute 1,519 square miles, but will in due course be increased to approximately 4,700 square miles when the present programme of reservation is completed. Native reserves amount to 50,000 acres and reserves for other purposes to 11,000 acres. Concessions for oil and certain mineral rights cover the island of Labuan and 1,000 square miles of the mainland.

A table at Appendix IV gives details of the planted acreages 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. Extensive pasture areas exist in the Kota Belud district and on the Keningau plain. Large areas of undeveloped land, which were alienated under the British North Borneo (Chartered) Company's early policy of encouraging the entry of capital by granting large concessions (but without the safeguard of cultivation clauses) are a matter of increasing concern to the Government.

Shifting cultivation remains a difficult problem and is particularly harmful when practised in virgin forest. The extent of the destruction is not easy to assess, but in the West Coast and Interior aerial photographs and ground inspections indicate that within the last few years appreciable areas of potentially valuable timber have been destroyed. In the long run the solution is clearly to induce those hill natives who still practise shifting cultivation to adopt a more settled form of agriculture in the lowlands, but the process must necessarily be gradual.

Settlement Schemes

A number of schemes have been planned with the object of resettling hill natives in areas where they can lead a more secure

existence with readier access to medical, educational and other social services and from where they can, in addition, offer an accretion to the Colony's labour force, or for the purpose of opening up and developing new land. A settlement scheme at Binaong, near Keningau, financed from Colonial Development and Welfare funds and designed to settle 100 Native families who had previously practised shifting cultivation in the hills, on the level and more fertile plain at Bingkor, has proved most successful. All of the settlers are firmly established and they have now been joined voluntarily by approximately 100 further families, who have received no direct financial assistance. The total area covered by the settlement is some 500 acres. In the Ulu Kimanis area of the Papar district, where both Chinese and Natives have been taking up land for several years, ten lots covering 100 acres were demarcated during the year. Other schemes are in progress at Entabuan in the Tenom district, where planning for a drainage scheme has been completed and earth roads through the area have been constructed; at Mandalum, also in the Tenom district, where 200 acres were surveyed during the year; at Ansip in the Keningau district, where there is a progressive Chinese settlement; and at Bandau in the Kudat district, where seventy-five lots aggregating 750 acres have been laid out. At Kawang in the Sipitang district approximately 1,000 hill Muruts have been settled in a scheme devised and administered entirely by the Local Authority. A Colombo Plan surveyor, who arrived in the Colony early in 1956, has been engaged on resettlement survey work in the Interior, which included the survey of undeveloped areas of Sapong Estate occupied by squatters, for the purchase of which Government was negotiating with the Estate at the end of the year.

The first stage of a scheme to encourage hill natives of the Labuk district to plant wet padi and *kendinga* (dry padi) has proceeded satisfactorily, though at a somewhat slower pace than was anticipated. A total of twenty-five buffaloes trained to the plough was distributed to the six villages concerned, and six farmers (one from each village) who had gone to Kota Belud for training in wet padi cultivation have returned to their villages and set to work on small pilot plots of padi land. Ploughs, changkols, axes, barbed wire and padi seed have been distributed free of charge. To provide essential expert supervision an Agricultural Assistant will be stationed in the area in 1957. This scheme is financed from Colonial Development and Welfare funds.

Land Development

A programme of earth road construction, commenced in 1954, is designed to open up new areas for development and to provide access by jeep or Land Rover to areas which it has previously not been possible to reach by motor vehicle. This programme

has proceeded very satisfactorily. Further details are given on page 123. It is now the policy not to accept applications for land in areas where new earth roads are being planned until the land has been demarcated to ensure its optimum use.

There is no land utilisation policy that is applicable to the whole Colony; it has hitherto been considered that it is at the district level that it is most necessary to plan alienation and settlement of land. Proposals for settlement and for the development of new agricultural areas are examined initially by District Teams which, if they consider there are grounds for proceeding, request the Agricultural Department to carry out soil reconnaissances or surveys, if these have not already been carried out in the course of the Department's investigation of the soils of the Colony as a whole.

Soil surveys of the Apas area of the Tawau district and of the Ulu Bongawan/Ulu Beaufort area on the West Coast were carried out during the year by the two soil scientists attached to the Agricultural Department, and a new soil laboratory was completed at Sandakan.

Lands and Survey Department

The Lands and Survey Department is under the direction of a Director of Lands and Surveys, who is assisted by a Deputy Director. Departmental headquarters are at Jesselton. In October, three qualified surveyors joined the Department on contract. In addition, in July, under the Colombo Plan, the Department secured the services of a qualified surveyor from New Zealand. At the end of 1956 the staff position was as follows:

- 1 Director of Lands and Surveys
- 1 Deputy Director of Lands and Surveys
- 5 District Surveyors

Field Staff

- 2 Supervising Surveyors (Grade "A")
- 1 Supervising Surveyor (Grade "B")
- 38 Surveyors (Timescale)

Office Staff

- 1 Office Superintendent
- 1 Chief Draughtsman
- 1 Chief Computer
- 5 Draughtsmen/Computers (Grade "B")
- 39 Draughtsmen/Computers (Timescale)
- 10 Clerks
- 4 Messengers.

In addition, 17 surveyor mandors, 34 chain-men and 68 labourers were employed. The field staff consisted of theodolite surveyors, prismatic compass surveyors and probationers under training.

The total land revenue collected by the Department during the year was \$1,889,510 compared with \$1,398,532.94 in 1955. This revenue was derived principally from land rents (\$715,462) and premia on leases (\$818,916). The total expenditure of the Department, including special expenditure, was \$697,199 as compared with \$575,317.00 in 1955.

The work of the Survey section of the Department is concerned mainly with title surveys, the survey of road traces, reserves and settlement and irrigation projects, the preparation of town plans, and the supply of photostats, prints and tracings to other Government departments and to the public. The Lands section supervises the administration of the Land Ordinance and the collection of land revenue.

Survey Party from the Directorate of Colonial Surveys

Two surveyors from the Directorate of Colonial Surveys arrived in the Colony in January to undertake the reconnaissance and observation of a primary triangulation net-work connecting Jesselton, Kudat, Sandakan and Tawau. One of the surveyors left the Colony in December. By the end of the year sixteen stations had been selected and marked with concrete pillars. One senior surveyor and three surveyor assistants from the Department of Lands and Surveys were attached to the party to assist with triangulation and marking.

Legislation

The present land laws of the Colony of North Borneo are contained in the Land Ordinance (Cap. 68), which since February, 1953 has also been applied to the island of Labuan. There are two forms of tenure in the Colony: ordinary lease-hold available to anybody and title by entry in the Register of Native Titles confined to natives. The Reconstitution of Land Title Registers Ordinance (Cap. 120) and the Reconstitution of Land Office Records (Labuan) Ordinance (Cap. 119) were enacted to make provision for the reconstitution of land titles and registers lost or destroyed during the last war. This work has necessarily taken up a great deal of the time of the headquarters staff and of Assistant Collectors of Land Revenue and has not yet been completed. Under the provisions of the Land Ordinance the Residents are Collectors of Land Revenue within their Residencies and District Officers and Assistant District Officers are Assistant Collectors of Land Revenue and Deputy Registrars of Titles in their districts.

All dealings in land are required to be registered under the provisions of the Land Ordinance. Registration of dealings in land held by entry in the District Registers of Native Titles and Field Registers is done locally by the Assistant Collectors of Land Revenue, but dealings in all other forms of title must be registered by the Registrar of Titles at Jesselton.

Natives are normally granted title to their lands by entry in the District Register of Native Titles. 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 and to the duty of preparing his padi fields and of participation in the performance of works of common benefit. Dealings in land held by entry in the Register of Native Titles between natives and non-natives are prohibited. Land held by entry in the Register of Native Titles 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.

No leases for Town or Country lands are now granted for more than ninety-nine years. Rent on land held under Native Title is fifty 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 land expressly alienated for wet rice cultivation, rebates are so arranged that, provided the land is planted with rice during the year, the rent per acre payable by the owner of the land is only fifty cents.

Dealings in Land.

The number of dealings in land registered in the office of the Director of Lands and Surveys during 1956 was 2,204 as compared with 2,014 dealings registered in 1955. Details of the dealings registered are as follows:

<i>Nature of dealing</i>	1956	1955
Charges	409	331
Satisfactions of Charges	264	222
Surrenders of Titles	204	215
Transfers	1,066	988
Orders in respect of estates of deceased registered proprietors of land	204	178
Various, not otherwise classified	57	80
	---	---
TOTAL ...	2,204	2,014
	---	---

Applications for Crown land reported to have been filed in District Land Offices in 1956 totalled 5,975 and involved approximately 49,100 acres. 4,927 applications in respect of 33,900 acres were for land to be held under Native Title.

Land Ownership

The area held under Native Title excluding native reserves is approximately 144,347 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 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 hold leases for approximately 564,756 acres. Of this area 281,700 acres are European-owned, and the balance of 283,056 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 substantial proportion of the total area remains unplanted. The land occupied by Asians is generally used for rubber, coconuts, rice or vegetable gardens.

AGRICULTURE

The importance of rubber in the economy of the Colony has been emphasised by the volume of applications for new planting and re-planting grants received by the Rubber Fund Board during

the past two years. In spite of rapidly expanded sources of supply the demand for planting material outstripped the Board's resources and special arrangements had to be made to meet small holders' requirements. High prices were in part responsible for the interest in rubber planting but the principal stimulus remained the small-holders' recognition of the advantages of a permanent tree crop suited to local conditions and the availability of high-yielding planting material.

Interest in other crops was also maintained and considerable acreages of coffee, tobacco, maize and fruit trees were planted during the year.

Agricultural problems involving all the principal economic crops are being investigated on nine experimental stations.

There were no major outbreaks of epidemic disease.

Rice

The 1955-56 padi crop proved to be above average with an estimated yield of 52,493 tons of padi equivalent to 32,545 tons of rice. The estimated yield in the previous season was 57,083 tons of padi (a record), equivalent to 35,931 tons of rice.

The yield of wet padi was estimated at 40,186 tons from 44,197 acres and that of dry or hill padi at 12,307 tons from approximately 27,940 acres. Total production was approximately 8% less than in the previous year but nevertheless compared favourably with the 1953-54 season.

Present indications are that the 1956-57 crop will be a good one. High yields are expected in all districts except Tuaran where drought conditions in the early part of the season severely affected the crop, which never fully recovered.

The market for locally grown padi is free of all controls. Prices of locally produced and imported rice were reasonable throughout the year and no shortages were experienced, except in the Interior Residency, where landslips on the railway held up deliveries briefly on several occasions.

Official discouragement of the importation of inefficient hullers and the installation of increasing numbers of improved mills have done much to improve the quality of local rice.

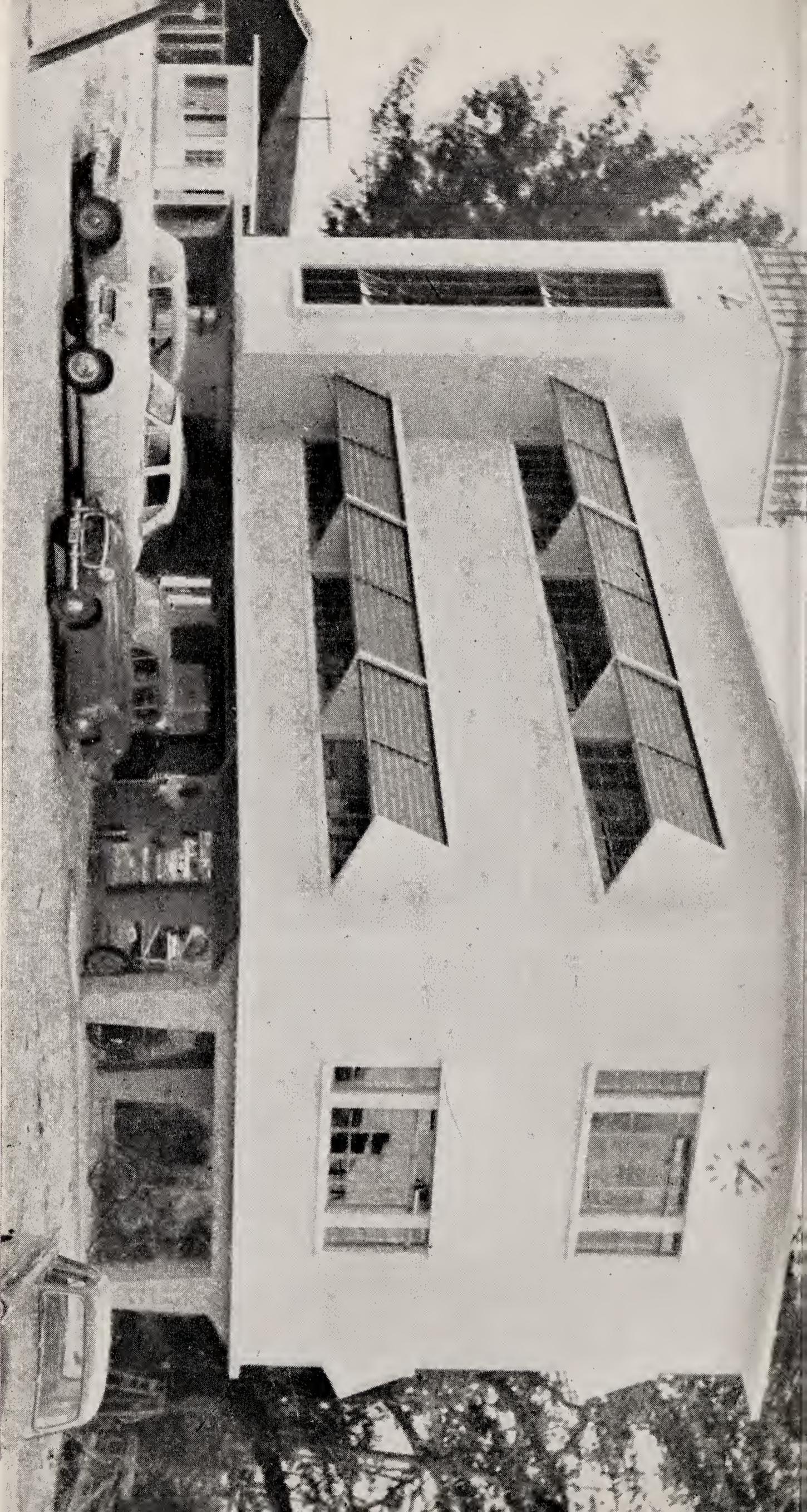
Rubber

The price of rubber in January, 1956, was £264.10.0d. per ton. In subsequent months the price dropped steadily to reach a minimum of £151 per ton in June, after which it rose again to a maximum of £255 per ton in December. The average price (£237 per ton) was approximately 22% lower than that in 1955. Production was nevertheless well maintained. 19,859 tons of rubber valued at \$40.3 million were exported compared with 20,063 tons in 1955 and 17,125 tons in 1954.



The Chartered Bank's New Office at Sandakan

(The Camera Studio)



The New Customs and Marine Office at Labuan.

(G. R. Wells)

The total area under rubber is estimated at 128,477 acres, of which 7,574 acres have been newly planted with improved material supplied by the Rubber Fund Board. In addition 659 acres have been re-planted by estates and 344 acres by smallholders using improved material. A further 1,750 acres have been planted with unselected seedlings for budding in due course with clonal budwood.

The Rubber Fund Board maintained eighteen rubber nurseries in 1956 situated at convenient places throughout the Colony. These nurseries, the combined area of which amounted to some 100 acres, produced well over 1,000,000 rubber stumps for distribution during the year. In addition the Board opened a new budwood nursery of twelve acres where all the clones recommended by the Rubber Research Institute of Malaya are established.

It was formerly hoped to obtain 5,500,000 clonal seeds from Malaya for the 1957 planting programme. Delivery has already been made of 2,500,000 seeds, but it is doubtful, in view of an export ban recently imposed by the Federation Government, whether the balance will be received in time for planting in 1957. Applications for planting grants in 1957 closed on 15th October, 1956. A total of 4,945 applications involving 25,965 acres was received; of these applications 4,760 in respect of 25,174 acres were for new planting and 185 applications in respect of 791 acres were for re-planting. The Board was unable to accept all of these applications in full, and the 1957 programme is planned to provide for the planting of 15,000 acres (subject, however, to the delivery of seeds from Malaya).

The Rubber Fund Board was established by Ordinance in 1950 with three official and six (now eight) unofficial members, under the chairmanship of the Director of Agriculture. It is representative of all rubber interests, both large and small, in the Colony. The Board became a body corporate and provision was made for greater unofficial representation by an amending Ordinance in 1954. From the Fund's revenue, derived from a quarter cent per lb. cess 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. In order to cope with the serious situation as regards new planting and replanting a Rubber Industry Replanting Ordinance came into force on 1st January, 1955, and from 1st April, 1955 a cess of two cents per lb. was levied on all rubber exported. The burden of the cess is mitigated by a reduction of at least two cents per lb. on the export duty under a modified export duty formula.

Funds created by the cess are used to finance new planting and replanting schemes both for estates and for smallholders. Two schemes are administered by the Board: Rubber Replanting Scheme 'A' in respect of estates of 100 acres or more and Rubber

Replanting Scheme 'B' in respect of smallholders. Both schemes were modified during the year as a result of experience of their working.

Coconuts and Copra

Coconuts are cultivated principally on the East Coast of the Colony and at Kudat, as may be seen from the figures in Appendix IV. The total acreage of land under coconuts decreased slightly during the year and is now estimated at 45,370 acres.

The prices of copra and coconut oil remained steady throughout the year at approximately \$20 and \$41 per picul respectively.

Exports of copra in 1956 amounted to 59,163 tons (including re-exports) and of coconut oil to 24.7 tons valued respectively at \$23.3 million and \$16,906. The large increase in copra exports was caused by a substantial rise in imports for subsequent re-export. Domestic production showed little change over the level in previous years.

No serious damage by pests and disease was recorded: this is a tribute to the efficiency of the voluntary district pest control committees now established in the principal coconut-growing areas.

Tobacco

High quality wrapper leaf tobacco is produced by the Darvel Tobacco Plantations at the Company's estate at Segama, Lahad Datu. This is the only tobacco estate in production in North Borneo. Severe flooding of the Segama river during April and May, 1956 caused the loss of some 200,000 seedlings on the Company's estate. Insect damage, as in previous years, was also a cause of concern. Exports of cured leaf during the year amounted to 286,824 lbs. valued at \$3.4 million, compared with 330,057 lbs. valued at \$3.2 million in 1955.

Tobacco grown by native smallholders showed a modest increase on account, partly, of favourable prices and also of an increasing farming population. Prices ranged from \$600 per picul for first quality, fine cut, in the early part of the year to \$250 per picul in November. Total production was estimated at 800,000 lbs., most of which was absorbed by local markets. Such exports as are made are confined almost entirely to Brunei and Sarawak. Native production consists of a crude sun-dried leaf produced in the high country around Ranau, in the Minokok country at the headquarters of the Kinabatangan river, on the alluvial flats of Marudu Bay and at Keningau.

Abaca Hemp (Musa textilis)

Abaca hemp cultivation is limited to the rich basaltic soils of the Semporna Peninsula where Borneo Abaca Ltd., allied with

the Colonial Development Corporation, maintain some 4,000 acres under this crop. Production of marketable fibre during the year amounted to 2,000 tons. 2,065 tons of hemp and hemp tow valued at \$2.1 million were exported.

Virus disease continues to present a serious problem and requires constant vigilance and very strict measures of control. This disease, which was first detected in North Borneo immediately prior to the Japanese occupation in 1942, was discovered in 1946 to have spread throughout all the abaca estates, which had become neglected and overgrown during the war. In 1948 and again in 1954 the disease assumed epidemic proportions and it has been kept under control only by means of ruthless eradication. In 1948 a Plant Inspector, who performed very useful work until his return to Australia early in 1955, was seconded from the New South Wales Government to organise a control campaign. In many ways this campaign was eminently successful, but the cure to the trouble has not yet been found and the problem remains a grave one.

Cocoa

Results so far obtained with this crop on the basaltic soils at Tawau have been most encouraging and have led to an extension of planting by Borneo Abaca Ltd., who now have a total of sixty acres and propose to undertake further planting in the future.

The Agricultural Department has made arrangements to transfer investigational work on cocoa from Tuaran, where soil conditions are unsatisfactory, to Ranau, where two investigational stations (one of five acres and the other of fifteen acres) have been opened on the igneous soils recently discovered in the neighbourhood of Poring. Consideration is also being given to the establishment of cocoa investigational stations in the Tawau district.

Sago

Production of sago has virtually ceased except for a limited kampong industry serving local requirements. The demand for *atap*, however, remains brisk and owners of sago palms continue to enjoy a reasonable income from this source.

Pepper

The price of pepper seldom exceeded \$170 at any time during the year and prospects remain such as to discourage any extension of the crop in North Borneo.

Other Crops

Maize, groundnuts and soya beans are important smallholders' crops in all four Residencies. Probably about 10,000 acres were devoted to maize in 1956. Some of the production is retailed in the form of green cobs for human consumption but the bulk is sold for animal and poultry food.

Groundnuts are grown chiefly in the Tenom, Kota Belud and Kinabatangan districts. A considerable proportion of the total production is used for groundnut oil, which is the staple cooking oil of Chinese households. The acreage devoted to groundnuts is estimated at 3,000 acres.

Soya beans are grown principally in the Tenom valley. Rubber and other permanent crops in the district have, however, become established on smallholdings and the acreage under soya beans has declined. During the year not more than 1,000 acres were under soya beans.

A considerable local demand has maintained the interest in coffee planting by smallholders but widespread attacks by the Coffee Berry Borer (*Cryphalus hampei*) have limited production.

Staff and Policy

The establishment of the Department of Agriculture consists of a Director of Agriculture, a Senior Agricultural Officer, four Agricultural Officers, two Soil Scientists, a Plant Pathologist, a Stock Development Officer, an Assistant Entomologist, an Assistant Fisheries Officer, three Senior Agricultural Assistants, fourteen Agricultural Assistants and nineteen Junior Agricultural Assistants. The Veterinary Branch comprises a Veterinary Officer, an Assistant Veterinary Officer, three Veterinary Assistants, seven Stock Inspectors, a Laboratory Technician and two Laboratory Assistants. At the end of the year six posts, mainly of Agricultural Assistants, remained vacant.

The aims of the Department of Agriculture are to increase the production of livestock, foodstuffs and all economic crops; to introduce and establish, where suitable, new and better forms of stock and economic plants; to improve methods of cultivation; to ensure a balanced diversification of crops; to survey and open up new areas suitable for cultivation; to control pests and diseases of crops and livestock; and to carry out investigations in all branches of local agriculture and livestock husbandry so as to obtain accurate information on which to base future development.

Agricultural Experimental Stations

Nine agricultural experimental stations are maintained in the Colony.

The Central Agricultural Station is situated at Tuaran on the West Coast. There are four general-purpose stations at various

altitudes from sea-level to 4,200 feet situated at Tawau, Keningau, Ranau and Kundasang, the two last-named stations being the centres for experiments in the cultivation of temperate climate crops.

There are also four stations devoted to investigations on padi cultivation; these are at Inanam, Kota Belud, Papar and Tenom and cover the main padi areas of the Colony.

A central fry breeding station for fresh water fish, which is still in process of construction, comprises part of the Central Agricultural Station.

Current investigations at these stations include research on livestock including cattle, pigs and poultry; on economic crops including rubber, cocoa, padi and pepper; and on fruit, vegetables, grass and other crops of economic importance.

Agricultural Education

No Farm School, as such, has yet been established but courses for agricultural staff, Native Chiefs and farmers were provided at the Central Agricultural Station at Tuaran as in previous years.

Pests and Diseases

The Coffee Berry Borer (*Cryphalus hampei*) was again the cause of concern in the Lahad Datu and Tenom districts but energetic action by voluntary pest control committees under the supervision of the Assistant Entomologist effectively limited damage. Similar action by local voluntary committees in Kudat and Tawau maintained effective control over the coconut pest (*Setora nitens*) which in previous years caused widespread losses in these areas.

Organised voluntary measures were also effective in reducing significantly the annual damage by padi pests including the Padi Leaf Hopper (*Nephotettix bipunctatus*) and the Rice Bug (*Leptocorisa acuta*).

The Army Cut Worm (*Cirphus unipuncta*) caused some alarm in November by a sudden appearance in the Kudat district over an area of some 300 acres, threatening the dry padi crops of thirty-one kampongs. Prompt measures by the Assistant Entomologist, who was assisted by the farmers concerned, brought the outbreak under control in a very short time.

Planned investigations on virus disease of Manila hemp were continued by the Plant Pathologist on the abaca estates at Tawau. At the same time a vigorous campaign of eradication of infected hemp and bananas was maintained by both Departmental and Estate pest gangs.

Soil Surveys

During the year two major soil surveys were carried out, one in the Apas area of the Tawau district on the East Coast (26,000 acres) and one in the Ulu Bangawan-Ulu Beaufort area on the West Coast (20,000 acres). In addition an area of some 150 acres required for padi cultivation was surveyed at Lahad Datu and on the West Coast a special survey of Langkon Estate was made on behalf of the proprietary Company.

Work was also done on the application of the findings of the previous surveys of the Keningau plain, the Ranau-Poring-Kundasang area and the Sapong Estate reserve lands to the planning of development and settlement schemes in these areas.

Mechanisation

The high capital outlay required to purchase a tractor and implements and the continued lack of servicing facilities in the field have limited the extension of mechanisation.

The few privately-owned tractors can seldom be employed to full capacity and are therefore to a large extent uneconomic. In the Tenom area, however, four privately owned tractors achieved an efficient performance during the year with a record of sixty acres ploughed, 242 acres disc harrowed and 10,000 plant holes dug. In addition these machines have been used for road haulage, levelling, earth moving and in one instance for operating a home-made threshing machine.

The prospects for privately operated contract services are not very favourable. Minimum hire charges are likely to equal the cost of existing hand labour since they must allow for unfavourable weather conditions, seasonal and scattered demand, considerable road mileage between jobs and many other economic factors such as high depreciation and breakages.

Tractors owned by the Department of Agriculture have been fully engaged on official work and it has been possible to meet only a few requests for outside hire work.

ANIMAL HUSBANDRY

Livestock

The present domestic livestock population is estimated, in round figures, as follows:

Ponies	...	...	3,500
Cattle	...	...	25,000
Buffaloes	...	...	100,000
Pigs	...	...	100,000
Goats	...	...	30,000
Poultry	...	...	4,000,000

There is clear evidence that numbers in all categories are steadily increasing in spite of growing exports. The significant increase in poultry owes much to the widespread immunisation campaign against ranikhet disease which, in the past, has been the cause of considerable annual losses.

The following stock was exported:

<i>Animals</i>		<i>Numbers</i>	<i>Value</i>
Ponies	... ..	2	2,300
Cattle	... ..	33	10,475
Buffaloes (male)	... ..	1,197	364,077
„ (female)	... ..	305	82,275
Pigs	... ..	2,487	223,002
Goats	... ..	247	6,817

Pastures and Cattle Farms

Investigations into pasture improvement and control of grazing have been carried out on the cattle farm at Sorob on the West Coast and at Keningau in the Interior Residency. It is clear that the carrying capacity of *Axonopus* pastures, where adequate tree shade exists, is much higher than was at first thought, and a considerable measure of improvement can be attained by the planting of shade trees on such pastures.

In the case of shade provided by planted coconuts, *Axonopus* grass is found to provide excellent grazing for cattle provided that adequate numbers are maintained otherwise rank grasses and undesirable shrubs intrude to the detriment of grazing. It has also been found that the lighter soils under coconuts are most suitable for cattle whereas heavier clay soils are more suitable for pigs, goats and calves since these animals do not cause puddling which in heavier soils would prove injurious to the coconuts.

At Sorob and Keningau the grazing is of the open rolling grassland type. Here the limiting factor is shade. Frequent firing in the past has reduced tree cover to stunted, light-canopied, fire-resistant species providing conditions suitable to the coarser, less nutritious grass species such as *Ischaemum barbatum*. Where heavier shade, such as rain trees (*Enterolobium saman*), exists *Axonopus* flourishes and provides an ideal pasture of heavy carrying capacity.

In all types of pasture careful control of grazing is of the utmost importance and careful attention to this factor is being given on both Sorob and Keningau cattle stations where the size of paddocks has been reduced so as to provide a greater measure of control.

The value of these findings has been recognised by local stock owners who are beginning to apply them on their own holdings.

Disease

North Borneo has again been most fortunate in its freedom from all the major epizootics. No case of rinderpest, foot and mouth or contagious bovine pleuropneumonia occurred. The Colony was also free from rabies during the year and no case of tuberculosis was encountered.

Surra, which for many years has been the cause of a large number of deaths among ponies, has remained under control; no case occurred during 1956. It is more than two years since the last positive case, which was a case of relapse, was encountered and over three years since the last positive fresh case. It was decided towards the end of the year that all ponies which had previously been infected with the disease should be slaughtered as there was evidence that they were a potential danger. By the end of the year fifteen ponies had been bought and slaughtered, ten others acquired but not slaughtered and three not yet obtained out of a total of twenty-eight old cases.

Ranikhet disease control has continued with success, and approximately 400,000 birds have been vaccinated. In areas easily accessible to the veterinary staff ranikhet disease is now practically unknown and as staff increases and transport facilities improve it is hoped to reach a greater number of poultry owners.

Fowl-pox vaccination has been carried out extensively but it has generally been found necessary only for young and imported stock as local adult birds appear to have great resistance. Sulphamezathine is being used extensively by Chinese poultry owners primarily to control coccidiosis, fowl coryza and non-specific infections. It may well be a mixed blessing as it can be so effective and easily administered that it is preferred to the practice of good husbandry with the result that when it is resorted to for the control of heavy worm infestations disaster has sometimes occurred before any other remedy could be applied.

General attention to stock is improving and simple methods of treatment are coming into practice. Many owners now keep small quantities of Stockholm tar, sulphanilamide and a cresol disinfectant for dressing wounds and fly strikes.

Control of internal parasites is coming increasingly to the fore particularly against *Ascaris vitulorum* in calves and more and more of the Department's time is being taken up with this work. External parasites are also the cause of much loss of

condition and a considerable amount of work is being undertaken against them.

Veterinary stations are being set up in different districts of the Colony where supplies of drugs and equipment are maintained. Generous help has been received from the Government of Australia under the Colombo Plan in the form of 5 electric/kerosene refrigerators for these stations.

Quarantine measures for the prevention of the introduction of rabies were carried out during the year at the veterinary kennels at Kepayan, Jesselton.

A most important aspect of veterinary work in 1956 was the development of the investigation service at the Kepayan laboratory. A laboratory technician loaned by the Australian Government under the Colombo Plan arrived in December, 1955 and had the laboratory working early in the New Year. Although the laboratory was already well equipped with apparatus, the Australian Government generously supplied certain further items which the laboratory technician found he would require. Investigations during the year have shown an unusual absence of disease of bacterial origin but that viral and metazoan parasites abound. A collection of helminth parasites is being made and will be forwarded to Australia for identification.

Two locally recruited members of staff have been under training at Kepayan since March.

The Department received visits during the year from Mr. R. S. Marshall, C.B.E., D.I.R.C.V.S., D.V.S.M., Adviser on Animal Health to the Secretary of State for the Colonies, and from Dr. R. B. Kelley, D.Sc., Animal Production Expert to the Australian Government who made a tour of South-East Asia under the auspices of the Colombo Plan. Each of these visits was most helpful and productive.

DRAINAGE AND IRRIGATION

Although recruitment of technical staff for this branch of the Public Works Department has improved, the situation is still not as satisfactory as it could be and several posts remain vacant.

Work on the Papar irrigation and drainage scheme has continued. A serious flood during the year caused damage to one of the pumping stations, but this has been made good. Test pumping has been carried out satisfactorily and irrigation water will be available for the 1957/58 planting season.

Much drainage work remains to be done, particularly in the Benoni basin, progress on this aspect of the scheme being very much less advanced than on the irrigation works. Some improvement was achieved in the Benoni basin, which it is hoped to free from flooding by the construction of a drainage channel some six and a half miles in length known as the Benoni Diversion. Approximately 400 acres of padi land have now been planted in an area which was formerly swamp jungle.

Irrigation works at Tuaran were also completed during the year and were in operation throughout the 1956/57 padi season. Approximately 350 million gallons of irrigation water were made available. Unfortunately, during a period of drought at the beginning of the padi season blockages occurred in the pumps, which were consequently unable to deliver the water urgently required for the young padi. The crop never fully recovered and the harvest was not as good as was expected. The drainage part of this scheme, as at Papar, has not progressed very rapidly, but the sea defence bunds have been pushed forward and four sets of reinforced concrete structures, incorporating tide control sluice gates, have now been installed.

At both Papar and Tuaran there has been a certain amount of opposition to the irrigation schemes from the local farmers, to whom irrigation is entirely new. This opposition has now largely died down, but it is apparent that work on any future scheme of this nature must of necessity be preceded by very careful consultation with the farmers whose land will be affected.

The first stage of the Klias Peninsula drainage scheme was completed during the year, giving a water table of three feet. Interest in this scheme has improved and more than seventy-five per cent. of the area has now been taken up.

All of these works have been financed from Colonial Development and Welfare funds.

Small irrigation schemes in the Interior Residency at Tomani, Tulid, Lanas and Mansiat continue to function well and have been extended according to demand. There is no doubt that these schemes are of considerable assistance in developing settled agriculture and reducing the amount of shifting cultivation. The shortage of technical staff, however, necessarily limits the amount of work that can be undertaken.

The Drainage and Irrigation Ordinance (No. 15 of 1956) provides for the establishment of drainage and irrigation areas and the appointment of committees with powers to fix irrigation seasons, to recommend land classification and the imposition of rates and to exercise executive control over the drainage and irrigation works in their respective areas.

FORESTS

The Forest Estate

Approximately 23,600 square miles, amounting to 80% of the total area of the Colony, are under forest. The forest estate may be classified as follows:

<i>Class of Forest</i>	<i>Ownership</i> (areas in square miles)			<i>Total area</i> <i>in square</i> <i>miles</i>
	<i>Crown</i>	<i>Com- munal</i>	<i>Alie- nated</i>	
(1) Productive or potentially productive Dipterocarp ...	9,782	—	239	10,021
(2) Productive Fresh-water Swamp ...	235	—	—	235
(3) Mangrove ...	1,058	—	—	1,058
(4) Inaccessible Dipterocarp (mostly mountainous) ...	8,218	—	—	8,218
(5) Montane ...	1,499	—	—	1,499
(6) Secondary, not under current shifting cultivation	2,616	—	—	2,616
TOTAL ...	23,408	—	239	23,647

During the year new forest reserves totalling 854 square miles were constituted. These more than doubled the total area of reserved forest, which at the close of the year covered 1,519 square miles, or 5.2% of the whole area of the Colony. In addition preliminary steps were taken for the reservation of a further 1,521 square miles of forest under the provisions of the Forests Ordinance and proposals were in hand for the reservation of an additional 1,433 square miles. When this programme has been completed 15.9% of the total land area of the Colony will have been constituted reserved forest. Plans for further reservation are under consideration.

Forest Policy and Legislation

The forest policy of the Colony is as follows:

(a) To reserve permanently for the benefit of the present and future inhabitants of the country, forest land sufficient—

(i) for the maintenance of the climatic and physical condition of the country, the safe-guarding of water supplies and soil fertility and the prevention of damage to rivers and agricultural land by flooding and erosion;

- (ii) for the supply in perpetuity at reasonable rates of all forms of forest produce required by the people for agricultural, domestic and industrial purposes;
- (b) To manage the Forest Estate with the object of obtaining the highest revenue compatible with sustained yield, in so far as this is consistent with the two primary objects set out above;
- (c) To provide the technically trained staff necessary for forest management and revenue collection, and for research into such problems as can be investigated locally;
- (d) To support and co-operate with all appropriate schemes of regional forest research;
- (e) To accept the principle that security of tenure and long term planning are essential for the successful management of the Forest Estate;
- (f) To foster, by education and propaganda, a real understanding among the people of North Borneo of the value of forest to them and their descendants.

The Forests Ordinance (Cap. 169) and Forest Rules, 1954 made under the Ordinance were in force throughout the year. No new legislation was introduced.

Forest Management

The inland forest reserves are managed under the Uniform System on a rotation of 80 years with natural regeneration from advance growth. Yield control is by area and each timber concession area constitutes a separate felling series. Felling is carried out to an 8 ft. obligatory girth limit, though the lessee is permitted to fell down to 6 ft. in girth should he desire to do so. It is hoped that by the end of 1957 all areas worked under long-term (21 year) concession agreements will have been constituted reserved forest. Almost all of the mangrove forest in the Colony is included within a monopoly concession agreement, under which felling is controlled by a simple minimum girth system. Considerable progress was made during the year in the establishment of approved compartment systems and in the compilation of reserve records. Demarcation of new forest reserve boundaries was almost entirely confined to the West Coast Division where shifting cultivation makes complete demarcation an essential preliminary to reservation. The mapping of a further 2,500 square miles of the forests of the Colony from air photographs was completed by the Forest Department Cartographer during the year.

Protection

The total number of forest offences reported declined by 32 from the 1955 figure to 106. The total value of fines collected increased, however, from \$6,330 in 1955 to \$13,038. The number of cases taken to Court fell sharply in the West Coast Division, due principally to better control being achieved over shifting cultivation. Insect damage to felled logs by borers continued to cause concern, and borer attack in the living tree was found to be particularly heavy in certain parts of the Ulu Kalumpang Forest Reserve.

Silviculture

There was no general fruiting of Dipterocarpaceae in the Colony during the year. Profuse regeneration from the 1955 seed year was, however, present in nearly all forests. Poison girdling, using 2 lb. of sodium arsenite to one gallon of water, was continued in exploited forest, all useless relics of the previous stand and all non-commercial species down to two inches in diameter being girdled. In July all silvicultural labour was concentrated in the Segaliud-Lokan Forest Reserve for training under six experienced forest guards recruited from Malaya. A total of 3,652 acres was poison girdled during the year at a cost of \$31,506. This represents a decrease in area treated of some 8,254 acres compared with 1955, on account chiefly of the re-organisation and retraining of labour and of a far heavier girdling being carried out than was formerly the case. The experimental plantation of species of Dipterocarpaceae at Sandakan was maintained, but no new areas were planted. This plantation is heavily invaded by lalang (*Imperata cylindrica*) and experiments have been started to eradicate this weed.

Exploitation

The production of timber during the year rose by approximately 19% on the total for 1955 to 21,152,102 cubic feet.

Nearly all the important commercial timbers of the Colony are members of the family Dipterocarpaceae. They include the red and yellow serayas (*Shorea* spp.), white seraya (*Parashorea malaanonan*), kapur (*Dryobalanops* spp.), and selangan batu (*Shorea* and *Hopea* spp.). There are three important non-Dipterocarp timbers, belian (*Eusideroxylon Zwageri*), merbau (*Intsia* spp.), and ramin (*Gonystylus* spp.). The total volume of these non-Dipterocarp timbers produced was, however, very small.

The timber industry consists of four large overseas 21-year concession holders (The British Borneo Timber Co., Ltd., The North Borneo Timbers, Ltd., The Bombay Burmah Trading Corporation, Ltd., and Kennedy Bay Timber Co., Ltd.), three large local firms with whom concession agreements are at present

being negotiated, and some one hundred and twenty local firms who are working under short term (annual) licence. Approximately 58% of the total timber production during the year was produced by the existing and prospective concession holders.

Hand logging (*kuda-kuda*) methods continue to give way steadily to mechanical extraction. Logging by tractor is now the main method of production not only for the concession holders, but also for the annual licensees. The Kennedy Bay Timber Company, however, operating in hilly country, continue to use high lead yarding methods, combined with tractor logging.

The sawmill industry expanded slightly during the year, the number of mills rising by 1 to 52. The total input increased by some 500,000 cubic feet compared with 1955. Details of the sawmills in operation at the end of the year are as follows:

<i>District</i>	<i>No. of Mills</i>	<i>Input (cu. ft. Hoppus)</i>	<i>Outturn (cu. ft. as measured)</i>	<i>Recovery (per cent.)</i>
Tawau ...	8	412,106	256,287	62
Sandakan ...	15	2,913,494	1,481,669	51
Lahad Datu ...	6	85,312	49,736	58
West Coast ...	23	854,566	544,331	64
TOTAL ...	52	4,265,478	2,332,023	55

A large American-type bandmill installed by the Bombay Burmah Trading Corporation, Ltd., at Wallace Bay, Tawau was completed in October, but was not in full production by the end of the year.

The production of forest products other than timber was as follows:

<i>Class of Produce</i>	1955	1956
Firewood ...	1,750,350	1,320,916 pikuls
Charcoal ...	27,193	24,107 „
Cutch ...	4,412	4,090 tons
Bird's Nests ...	250	297 pikuls

The following exports of these products were made:

<i>Class of Produce</i>	1955		1956	
	<i>Quantity</i>	<i>Value</i>	<i>Quantity</i>	<i>Value</i>
Firewood (pikuls)	424,038	516,068	229,952	318,753
Charcoal (pikuls) ...	2,201	8,981	2,796	7,684
Cutch (tons) ...	4,112	2,020,795	4,435	2,100,331
Damar (tons) ...	1,566	371,160	1,914	492,343
Bird's Nests (pikuls)	238	110,087	279	150,447
Other minor forest produce (tons) ...	2,634	744,750	3,755	896,782

Firewood and charcoal production was entirely from mangrove forests, where the main species are bakau and bangkita (*Rhizophora* spp.) and tengar (*Ceriops* sp.). The production of cutch, the most important minor forest product, rose very slightly. The market for gum copal collapsed almost completely during October, on account apparently of the increasing use of synthetic materials for the manufacture of paint.

Trade

Timber exports continued to rise in 1956 as the following figures show:

EXPORTS OF LOGS AND BULKS FROM NORTH BORNEO
COMPARATIVE QUANTITIES AND VALUES BY DESTINATION

Destination	1955		1956	
	Quantity (cu. ft. Hoppus)	Value \$	Quantity (cu. ft. Hoppus)	Value \$
Australia ...	2,051,230	3,993,078	1,856,719	3,614,070
Holland ...	30,761	76,351	11,799	30,164
Hong Kong ...	3,745,458	3,804,504	4,575,719	5,179,427
Japan ...	5,118,873	7,938,311	7,348,311	11,447,491
South Africa ...	510,254	976,954	443,876	844,367
United Kingdom ...	719,899	1,996,884	544,587	1,553,619
U.S.A. ...	194,640	523,573	219,975	569,188
Others* ...	148,810	286,628	43,802	91,241
TOTAL ...	12,519,925	19,596,283	15,044,788	23,329,567
Average price per cubic foot		\$1.57		\$1.55

* Includes Brunei, Denmark, Germany, Italy, Malaya, New Zealand, Norway, Pakistan, Philippines, Singapore, Sweden and ship use.

EXPORTS OF SAWN TIMBER FROM NORTH BORNEO COMPARATIVE
QUANTITIES AND VALUES BY DESTINATION

<i>Destination</i>	1955		1956	
	<i>Quantity</i> (<i>cu. ft.</i> <i>as measured</i>)	<i>Value</i> \$	<i>Quantity</i> (<i>cu. ft.</i> <i>as measured</i>)	<i>Value</i> \$
Australia ...	44,939	160,795	104,906	436,152
Holland ...	22,079	94,300	3,769	23,586
Hong Kong ...	303,646	516,720	218,012	426,669
Japan ...	—	—	289	884
South Africa ...	81,746	299,943	114,806	483,550
United Kingdom ...	134,631	699,844	199,602	1,445,876
U.S.A. ...	10,861	26,427	1,326	6,303
Others * ...	74,046	192,617	28,013	24,403
TOTAL ...	671,948	1,990,646	670,723	2,847,423
Average price per cubic foot		\$2.96		\$4.25

* Includes Brunei, Denmark, Germany, Italy, Malaya, New Zealand, Norway, Pakistan, Philippines, Singapore, Sweden and ship use.

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

1947	...	...	...	1,567
1948	...	...	...	2,860
1949	...	...	...	3,064
1950	...	...	...	3,265
1951	...	...	...	2,535
1952	...	...	...	2,741
1953	...	...	...	4,512
1954	...	...	...	9,202
1955	...	...	...	11,403
1956	...	...	...	13,566

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

It will be noted that Japan and Hong Kong remain the largest consumers of North Borneo timber and that exports to both these countries during 1956 showed a considerable rise. Shipments in log form to Australia, the next largest importer, fell slightly but sawn timber exports rose considerably. The demand for logs from the United States of America increased very slightly but the export of sawn timber to that country was only a little over one-tenth of that in 1955. The decline in log exports to the United Kingdom observed in 1955 continued but there was an increase

in shipments of sawn timber to that country. Sawn exports in general fell slightly in volume but the average value per cubic foot of sawn timber exported rose from \$2.96 to \$4.25. The value per cubic foot of logs exported fell very slightly.

Lack of shipping space continues to restrict the timber export trade.

The timber grading and inspection branch of the Forest Department measured and graded more than 18 million cubic feet of timber during the year, an increase of some 4 million cubic feet over the figure for the previous year. In addition, some 9 million cubic feet were hammer-marked and certified as being of North Borneo origin. Total fees collected for these services amounted to \$143,851, compared with \$115,816 in 1955.

Research

The Forest Botanist concentrated during the first four months of the year on the evaluation of botanical material collected during 1955 and went on leave in April. This officer was granted an extension of leave in October in order to study at the herbaria at Kew and Leiden as a preliminary to writing a Manual of North Borneo Dipterocarps. The Forest Ecologist assumed general control of the Research Branch when the Forest Botanist proceeded on leave. In addition the Ecologist continued planting experiments in degraded soils at the Sibuga plantation and also initiated a number of important experiments concerned with the technique of natural regeneration. Experiments with hormone-type arboricides, non-toxic to animal life, were encouraging. An experiment was started to investigate possible control methods against attack by borers in newly-felled logs. A number of increment sample plots were measured and maintained and plans were made for a considerable expansion of increment studies for the main commercial species. Two consignments of logs were despatched for full-scale timber testing at the Forest Products Research Laboratory, Princes Risborough and one consignment for small-scale testing was sent to the Timber Research Laboratory at Kepong, Malaya.

The Forest Department library was classified during the year under the Oxford Forestry Decimal Classification.

Education

Four training courses were held during the year at the Sandakan Forest School. These were attended by seventy-one students. Four Forest Guards attended the subordinate course at the Forest School, Kepong, Malaya. All four passed, and one obtained both a credit certificate and the Malayan Forester prize. This is a most gratifying improvement on the 1955 results at Kepong and indicates that attendance at the Sandakan Forest

School is a valuable preliminary to the Kepong course. Two Junior Assistant Conservators of Forests were under training in Australia during the year on Colombo Plan scholarships.

Administration and Staff

The headquarters of the Forest Department are at Sandakan. The Department, which is under the direction of the Conservator of Forests, is divided for field administration purposes into the East Coast Division (with headquarters at Sandakan) and the West Coast Division (with headquarters at Jesselton). The two Divisions are further divided into six Forest Districts—Sandakan, Lahad Datu and Tawau on the East Coast and Jesselton, Beaufort and Kudat on the West Coast. The departmental headquarters comprises an Headquarters Establishment with complementary Working Plans, Surveys, Research and Timber Grading Sections. In 1956 the total staff of the Forest Department consisted of the Conservator, one Senior Assistant Conservator (transferred from Malaya in June), five Assistant Conservators, one Forest Ecologist, one Forest Cartographer, one Principal Officer, Administration (appointed in November), seven Junior Assistant Conservators, one Office Assistant, two hundred and forty-two Rangers and Forest Guards and forty-five launch crew. In addition a Forest Botanist and one Forest Ranger were paid for under a Colonial Development and Welfare scheme. With minor exceptions the staff was up to establishment by the end of the year.

The Conservator left on long leave in October and during his absence the Senior Assistant Conservator acted in his stead.

Miscellaneous

The annual British Borneo Territories Forestry Conference was held during August in Kuching, and the Conservator represented the Colony. A full agenda was discussed.

A Burmese student studied mechanical logging in the Colony under a Food and Agriculture Organisation fellowship for a period of three weeks.

Mr. H. C. Dawkins, Forest Ecologist to the Government of Uganda, visited North Borneo during October and spent approximately one week inspecting felling areas and regenerated forest.

Game

The Conservator continued to exercise control over the issue of licences to capture and keep *orang hutan* and gibbons, and also to shoot and take game birds. Consideration was given to the declaration of a close season for Green and Imperial Pigeon but it was eventually decided not to proceed with the proposal. The issue of licences to shoot elephant, *tembadau* (wild cattle), and deer remained outside the jurisdiction of the Department.

FISHERIES

Consequent upon a decision that the Colony could not support a separate Fisheries Department, the Department established in 1948 under a Colonial Development and Welfare scheme was closed at the end of 1952.

Although fishing is an important local industry and it is known that the resources off the Colony's coasts are considerable, there is little or no deep sea fishing and the industry as a whole is not well organised. As a general rule it can be said that the fishermen (who are for the most part natives) are independent when they fish for their own consumption or for a limited market, but in the vicinity of the larger towns where there are big markets the industry is more often than not controlled and financed by middlemen (mostly Chinese), who supply the boats and gear or the capital with which they can be procured.

Pond Culture

A total of 589 fish ponds has now been established in the Colony and the annual production from these ponds is estimated at over ten tons of which nine tons are Tilapia (*Tilapia mossambica*) and the remainder Chinese Carp of three species and a small proportion of Gorami (*Osphronemus goramy*).

The central fry breeding station at Tuaran is nearing completion and, to date, about 1,000 fry have been distributed from this source. A total of 6,166 fry was distributed during the year from the old breeding ponds at Sandakan.

A new species of Gorami (*Helostoma temmincki*), known as Kissing Gorami, was imported during the year from Singapore and observations at the Tuaran Station indicate that this species is likely to prove a most useful introduction, being fast-growing and of good eating quality.

Marine Fisheries

Marine fisheries, in the strict sense, are very poorly developed. The difficult problems of fish capture in coral waters have not been solved by local fishermen and production is largely dependent on hand lining, surface long lines, and submerged fish traps. The relatively efficient Japanese trap net (the *moro ami* net) used by Japanese and Formosan fishermen in North Borneo waters up to 1941 has gone out of use but a recently-formed local fishing company is proposing to re-introduce it.

The off-shore fisheries remain relatively unexploited. Methods employed include deep sea fish traps used at depths from fifteen to forty fathoms and operated from small *prahus*. Surface fishing in off-shore waters is limited to a few areas in the neighbourhood

of the islands off the West Coast. Line trolling is employed and catches consist principally of Spanish Mackerel and small tuna. Fishing for large tuna, which occur in shoals in the deeper waters around the coasts of North Borneo, has been neglected since the closure during the last war of the Japanese-owned tuna fishing and canning company with stations on Si-Amil and Banggi islands.

Important prawn fisheries, which are run almost entirely by native fishermen, are concentrated in the Labuk Estuary and Cowie Harbour on the East Coast. The catch is taken by means of tidal prawn nets set in booms across the main run of the tide. The annual production is in the neighbourhood of 250 tons, part of which is marketed locally and part exported as a dried product. A small quantity of frozen prawns is exported from Tawau to the Singapore market.

Almost all boats used in the fishing industry are lightweight, shallow-draft, sail-carrying vessels of local construction. The use of engines, both in-board and out-board, is becoming increasingly popular.

Cotton is used for the construction of the majority of nets (i.e. haul nets, lift nets, cast nets and tidal prawn nets). The larger mesh nets used for the capture of sharks and the larger Thread-fins are usually made from ramie fibre.

Increasing use is made of nylon lines for line fishing.

Marketing

North Borneo is perhaps unique among the countries of South-East Asia in that it produces an exportable surplus of marine food to meet the demands of its neighbours. The greater part of these exports is in the form of dried or salted fish and prawns. Other items include trepang or dried sea-cucumber, prawn dust, turtle eggs, fish maws, trochus and green shells, and seed pearls obtained from the window pane oyster (*Placuna placenta*).

Retail prices for fresh fish vary appreciably from district to district. The following are examples of the prices ruling during 1956:

Labuan	...	...	\$0.30	to	\$0.80	per	kati
Jesselton	...	...	0.60	„	1.60	„	„
Kudat	...	...	0.40	„	0.60	„	„
Sipitang	...	...	0.40	„	1.00	„	„
Sandakan	...	...	0.40	„	0.80	„	„
Lahad Datu	...	...	0.20	„	0.60	„	„
Semporna	...	...	0.10	„	0.25	„	„
Tawau	...	...	0.30	„	1.10	„	„

Chapter 7: Social Services

EDUCATION

General Review

IN reviewing the state of education in North Borneo in 1956, it must be realised that there are in fact three facets of the educational system. There is the section controlled directly by Government (which may be considered to include schools maintained by Local Authorities); that operated by the Missions under Government supervision; and that provided by local Chinese communities again under Government supervision. With a few exceptions, Government schools provide education basically in Malay, Mission schools in English, and Chinese schools in Chinese. Broadly speaking, only education in Malay in Government schools is free. Until very recently there has been very little inter-relation of the three systems, and in many ways 1956 was an important year in the development of a system based on more or less uniform standards.

The year 1956 continued to show up the great disadvantages of the threefold separation. The economic advantages of learning English encourage many Chinese parents to send their children to Mission primary schools; often, however, they do this after their children have received a primary education at a Chinese school. The six-year old and the sixteen-year old are then expected to sit together to their mutual advantage. To an extent children educated at Government schools pose the same problem.

The patient work of earlier years came to fruition in 1956 with the formation of a Board of Education as the co-ordinating factor in all educational activities, expansion and planning. The members of the Board represent all interests, creeds and races. Thus for the first time the three facets of the system are being given an over-riding harmony. To aid in this development the Colony has been divided into fourteen School Areas, each having its own Local Education Committee drawn from all persons able and willing to help overcome the educational problems of the locality. In this way the work of achieving a unified although multi-racial educational system has been put largely in the hands of the people themselves.

Uniformity of standards throughout the Colony has been stimulated further by the very satisfactory growth in popularity of the Government Examinations for primary schools. The 1956 examinations showed up not only weaknesses in some directions but also very good progress in other cases. 775 pupils took the Government primary schools examinations for fifth and sixth

forms; 581 passed. There were 795 entrants for the "English" schools examination of whom 389 passed, 107 of these with credit. Of the 733 entrants for the Chinese schools examination 418 or sixty per cent. were successful.

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 282, compared with 262 in 1955, with a total enrolment of 32,144 (an increase of 5,145 on the previous year's figures).

Enrolment by races was as follows:

Indigenous	...	...	...	10,868
Chinese	...	...	...	20,149
Others	...	...	...	899
European and Eurasian	...	...	...	228
				<hr/>
				32,144
				<hr/>

Of this total 21,792 were boys and 10,352 girls. A full analysis of pupils by race is given at Part A of Appendix VI and figures showing the development of education since 1946 and the proportion of boys to girls are at Parts B to F of the same Appendix.

Literacy

A detailed census was made in 1951 which showed that 11.7% of the total population and 17% of the population of fifteen years of age and over were able to read and write a simple letter. Tables showing the literacy rates of the total population and of the indigenous and Chinese communities are at Appendix V.

The literacy figure for the Chinese community was, in comparison with that in respect of the indigenous population, quite high: 30.3% of the whole Chinese population and 45.6% of Chinese of the age of fifteen years and over were returned as literate. The corresponding figures for the indigenous races were 5.5% and 8.1% respectively. The census also showed clearly the very high degree of illiteracy amongst native women: only 0.9% were found to be literate.

Primary Education

The demand for education amongst the Native peoples has continued to increase. Year by year more Government primary schools have been provided to meet the demand: whereas in 1939 there were twenty-one such schools, in 1956 the figure rose to eighty-four with a total attendance of 6,706. Even in the most remote areas the demand for educational facilities is constantly

increasing so that the present number of schools is by no means great enough to satisfy requirements. One of the major problems in providing sufficiently widespread facilities is that there are large areas devoid of major centres of population. It is not possible to build schools wherever a tiny population group needs them. One of the solutions being tried in 1956 was the practicability of increasing the facilities of existing schools so that they can educate a large number of children. The provision of simple boarding facilities can partially cope with the requirements of children whose homes are in sparsely populated areas. Another remedy lies in the Native Voluntary Schools. At the end of 1954 there were twelve of these schools in existence, whereas at the end of 1956 the figure had risen to thirty-one. Native Voluntary Schools try to meet the educational needs of small communities; they are Government-aided and equipped, but the villagers themselves erect the school buildings and perhaps teachers' quarters besides meeting half of the teachers' salaries. They are not schools of a high standard, but they represent the determination of backward people to improve their own position. Government inspectors help with advice.

The total enrolment at Mission primary schools in 1956 was 9,445, with a wide range of entry and leaving ages. The Chinese communities educated 11,923 children in their primary schools; some 6,500 of these were in Government-aided schools. Thus of a total of 29,967 children attending primary classes, Government contributed to the education of almost 23,000.

The Mission schools were still experiencing difficulty because of the practice (already referred to above) of Chinese children often entering Mission primary schools after completing a Chinese primary education. As a result quite old children were to be found in the same class as much younger children, lack of English preventing them from entering higher classes. The Missions co-operated well with the Education Department in making their teachers available for short courses; in addition, the Anglican Mission has adopted the policy of sending teachers from small schools for teaching practice at large schools under expert supervision. The Roman Catholic Mill Hill Mission maintains forty primary schools, the Anglican Mission nine schools, the Borneo-Basel Self-Established Church fourteen and the Seventh-day Adventist Mission four schools. There has been a noticeable strengthening of the staff of several of the larger Mission Schools.

The number of Chinese primary schools stood at the end of the year at seventy-eight, of which several had secondary sections. Staffing difficulties continued to be experienced; these were attributable to the difficulty of recruiting specialised teachers from

Hong Kong and to the unsettling effects of very short-term agreements of employment. Such agreements are liable to be terminated when a new school committee is elected and deprive many teachers of all sense of security.

The Kota Belud and Sipitang Local Authorities maintained nine primary schools during 1956. From 1st July the Government schools at Papar passed under the day-to-day control of the new Local Authority in that district. Enrolments totalled 555. Seven Estate schools and various night schools were open throughout the year. The Estate schools were provided by tobacco, rubber, hemp and timber companies for the children of their workers; they follow a syllabus generally similar to that in the Government or Chinese schools.

It is not possible to give reliable figures relating to the average age of entry and leaving school, as there are tremendous variations. Generally speaking, Chinese children enter primary school at the age of approximately six years; native pupils may enter at almost any age up to twenty years. As mentioned previously, Chinese and Native pupils frequently go on to an English primary education in Mission schools after receiving a primary education in their own language, with the result that pupils of sixteen years of age and over are often to be found in the lower primary English classes.

During 1956, the number of children studying at schools aided by Government rose to 15,845 (10,096 boys and 5,749 girls). Another 6,706 (5,449 boys and 1,257 girls) were enrolled in Government or Local Authority schools. 7,416 pupils in unaided schools brought the figure for primary school attendance to 29,967. This figure, although it shows a good advance on 1955, represents in all probability only about 35% of the total number of children of school age in the Colony.

Secondary Education

The first full Government secondary school was about to open at the end of 1956. Much of the secondary education hitherto provided in the Colony has been at the expense of primary education, a fact conclusively proved in the 1956 Government examinations. Other secondary education has been secondary in name only; recently such classes have been dying out. It is now possible to say that most of the secondary schools and sections operate efficiently and with constantly improving staff.

During 1956 a total of 2,013 children, of whom 1,500 were boys and 513 were girls, were in secondary classes. The 1955 figure was 2,070. The decline in attendance was attributable entirely to the re-organising or re-naming of classes previously known as secondary for want of a better classification. Only sixty-eight of these children were in unaided schools. 1,422 were at Mission schools and 488 at the larger Chinese schools;

all of these schools received Government aid together with its implication that Government was satisfied with the standards being achieved. Thirty-five children were in the secondary section of the Government English School at Labuan.

The academic aim of the Mission schools was in general to provide a five-year education leading to Cambridge Overseas School Certificate or the Overseas General Certificate of Education. At the end of 1956 ninety-one boys and seventeen girls entered for these examinations.

Technical Education

The Government Trade School at Batu Tiga, Jesselton trains boys to be carpenters or mechanics. In 1956 there were fifteen boys on the carpenters' course and fourteen on the course for mechanics, which was first introduced in 1955. The school has received most generous aid from the Government of Australia, which has provided lathes, sets of mechanics' tools and a great variety of workshop equipment. The youths trained at the Trade School have no difficulty in finding suitable employment and represent a valuable asset to the Colony.

Teacher Training

The severe shortage of trained teachers after the last war made it imperative for a scheme to be started for training teachers for primary schools within the Colony. A Government Teachers' Training College was built with Colonial Development and Welfare funds at Tuaran, twenty-two miles from Jesselton, and was formally opened in October, 1952 by H.R.H. the Duchess of Kent, who named it Kent College.

The College, which had begun its work in the Government Trade School in April, 1952, before its new buildings were ready, was designed initially to provide accommodation for seventy-two men and twenty-four women students, who would undertake a two-years' training course and finally graduate as teachers for the Government vernacular primary schools. In the middle of 1953 provision was made, as an experiment, for a small number of Chinese students, in addition to Natives. Results proved that the experiment was worthwhile and further Chinese students have since been admitted each year. Separate kitchens and dining space have had to be provided, but the Chinese and Native students are not otherwise separated in any part of the College life; they sit together on committees and councils and share all College activities.

The first students were head teachers and teachers with more than five years' experience, who entered to take a one-year course. At the same time two-year students were selected, more or less straight from school, preference being given to those who had some teaching experience.

The College now has 135 students of whom eighty-eight are men and forty-seven are women. During 1956 two courses were provided: a 2-year course for Native students; and a 2-year course for Chinese students. The students are selected from all over North Borneo and include six women students each year from Brunei.

The staff of the College consists of three Europeans, four Natives and two Chinese, with a part-time teacher who is an Indian. In addition a homecraft teacher has been seconded from New Zealand under the auspices of the Colombo Plan.

Very generous material aid in the form of books, projectors, radio sets and gramophones has been provided under the Colombo Plan.

Higher and Adult Education

No institutions for higher education yet exist in North Borneo. Scholarships to study overseas are awarded from various sources including the Government, the Colombo Plan, and Colonial Development and Welfare funds. In 1956 thirty-six students were pursuing their studies overseas on scholarships. Twenty-six of these were in Australia doing courses as follows:

Medical short courses	...	...	6
Public Health	...	...	1
Nursing	...	...	1
Medicine (degree)	...	...	3
Teacher Training	...	...	2
Forestry	...	...	1
Surveying (degree)	...	...	5
Architecture (degree)	...	...	1
Civil Engineering (degree)	...	...	1
Civil Engineering (diploma)	...	...	1
Public Administration	...	...	1
Air Traffic Control	...	...	1
Electrical trades	...	...	1
Agriculture	...	...	1

Five other scholars were in New Zealand and four in the United Kingdom. In all thirty-two of the total number owed their training to the generosity of the Colombo Plan countries.

Facilities are provided by the Education Department for external students of British educational institutes to take their examinations in North Borneo. During 1956 examinations were conducted on behalf of the Royal Society of Arts, the Chartered Institute of Accountants, the London Chamber of Commerce, and the City and Guilds Institute.

North Borneo was represented jointly with Sarawak on the Council of the University of Malaya.

Various classes for adults are conducted in Jesselton and Sandakan. They include a fair range of subjects: English, Malay, short-hand, typing and general science. Many Government departments run their own training schemes, about which information will be found in other parts of this Report. It is encouraging that there are often requests for literacy and English classes even from remote villages. Lack of capable staff unfortunately often hinders instruction in the rudiments of English.

Staff

The administrative staff of the Education Department consists of:

The Director of Education

A Deputy Director of Education

Two Education Officers

Two Women Education Officers (one is on secondment from the New Zealand Government)

Three Supervisors of Vernacular Schools

Three Supervisors of Chinese Schools.

Nearly all the schools in the Colony were visited by administrative staff during 1956. Such visits by the administrative staff are very important in a territory where teaching standards are still very low. By advice, demonstrations and courses it has been possible to give much assistance to both Government and non-Government schools.

The Department has issued syllabuses for use in all schools, besides disseminating teaching notes.

Government teachers' salaries were revised in 1956 and equal pay for women was introduced in all grades. The salary scale for trained teachers now begins at \$150 per month and rises to \$620 per month (£210 to £868 per annum). Several efficiency bars have to be crossed before the maximum figure is reached. In general the maximum reached by teachers with two years' training in Government service, who are not fluent speakers of English, is \$410 per month (£574 per annum). The salaries are pensionable. Non-Government teachers usually start at a slightly higher salary (about \$150 to \$180 per month is usual) but have an appreciably lower maximum salary. There is no pension scheme to cover them.

Legislation

As already mentioned, a change of considerable importance was introduced by the amendment of the Education Ordinance to provide for the constitution of a Board of Education with an unofficial majority, and the setting up of Local Education Committees in "School Areas" throughout the Colony. This was the principal recommendation of a special Committee appointed by the Governor to work out an educational system suited to the needs of the people of the Colony.

The Education Ordinance requires the 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.

Education regulations made under the Ordinance cover health, safety, building standards, and conduct within all schools.

Finance

Expenditure on education from Government funds during 1956 was approximately \$1,247,113. It was made up as follows:

Personal emoluments	\$780,748
Recurrent expenditure: other charges ...	251,150
Grants-in-aid to non-Government schools	75,070
Equipment grants to non-Government schools	8,840
Other special expenditure	91,305
Government schools — new building and maintenance	40,000

In addition to this expenditure Colonial Development and Welfare schemes provided \$169,276 towards miscellaneous expenses involved in running Kent College and building new Government schools.

Scholarships under the Liberation Education Trust cost \$24,813. This trust was established in 1953 with a capital of two million dollars from war-time reparations derived from former Japanese assets in the Colony. The interest on this capital is used to provide scholarships and other educational facilities at schools within the Colony.

Generous assistance was received, as in previous years, from donor nations participating in the Colombo Plan, particularly Australia and New Zealand.

Advisory Committees

The Education Department was assisted throughout the year by the Kent College Advisory Committee and the Scholarships Advisory Committee.

Social Welfare

A scheme of milk distribution to school children continued to be run by the Education Department. The milk (in powdered form) was provided by the United Nations Children's Fund. An increasing number of selected Interior and East Coast schools received the milk. It is being made up hygienically in the schools and besides its nutritive value it serves a useful purpose in training children in clean feeding habits. The scheme is popular in most schools.

PUBLIC HEALTH

General Health

There were no cases of any of the major epidemic diseases in the Colony in 1956. For many years now there has been no reported case of smallpox, cholera, plague or typhus. However, certain diseases causing chronic ill-health and diminished economic efficiency continue to be widespread. These are primarily malaria, tuberculosis and intestinal infestations. As experience grows in the control of malaria, there is considerable hope that this disease may be very largely controlled, if indeed not eradicated, within the foreseeable future by the use of residual insecticides. Tuberculosis, on the other hand, presents at the moment a far more intractable problem requiring prolonged treatment. As the hopes of controlling malaria increase, tuberculosis begins to move to the forefront and become the most serious health problem in the Colony today. During the year 42,087 cases of malaria were treated as against 2,317 of tuberculosis. Fortunately there is an increasing public awareness of the problem of tuberculosis and it is becoming appreciated that its control is a matter of improvement in general social and economic conditions, and of prevention, rather than purely of medical treatment. One-third of the total budget allocated to the Medical Department for medical stores is expended on drugs and X-ray films used in the treatment and control of tuberculosis.

With improving sanitation consequent upon the rebuilding of many of the larger population centres throughout the Colony and the extension and improvement of piped water supplies in urban areas, it is reasonable to expect a steady improvement in public health so far as intestinal diseases are concerned in these places.

Vital Statistics

The total number of births and deaths registered in 1955 and 1956 were:

	1955	1956
Births registered	11,780	12,455
Deaths registered	4,088	3,910
Excess of births over deaths ...	1,692	8,545

The registration of births and deaths has improved 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. A social anthropologist and a medical investigator who began work in 1954 on the problem of the decline of Muruts continued their enquiries into 1955 and 1956, but as yet no report is available, other than some preliminary communications.

Malaria Control

Malaria is endemic in many parts of the Colony, but fortunately most of the larger towns are comparatively free. A pilot scheme for the control of malaria sponsored jointly by the Government, the World Health Organisation and the United Nations Children's Fund began in July, 1955. The project aims to produce a malaria map of the Colony and to ascertain whether control of the disease can be effected by means of spraying with residual insecticides. It is as yet too early to comment on the results but there is every reason to suppose that not only will the pilot project be successful but that it will be possible to extend operations to cover the entire Colony. The malaria map is now almost complete, and it is expected that by mid-1957 a comprehensive plan will have been drawn up for a Colony-wide scheme of malaria eradication.

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 sometimes 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. Figures for 1956 show a further increase over those for 1955, but the rate of increase was somewhat less than in previous years. The North Borneo Anti-Tuberculosis Association (*NOBATA*), originally formed in 1953, continued its good work in 1956. 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.

Special wards for the treatment of tuberculosis patients have been built in Tawau and others are in the course of construction in Keningau and Jesselton. Wards are also planned for Sandakan, Kudat and Beaufort. These special wards are designed to 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 night-soil and refuse, and improved water supplies, as now being planned, will reduce substantially the incidence of bowel disease in urban areas. The rural community still relies 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. Typhoid fever is uncommon.

General Sanitation and Preventive Measures

There are now fourteen health inspectors posted at various stations in the Colony. Two of these inspectors undertook a course of training in Singapore under the auspices of the Royal Society of Health from February to November, 1956. The posting of health inspectors to various districts and population centres should result in greatly improving general sanitation and preventive health measures in years to come.

Two sanitary engineers provided by the World Health Organisation to advise the Public Works and Medical Departments on environmental sanitation completed their work during the year, and the planning of modern sanitation for the main towns is now finished.

Nutrition

Starvation as such is almost unknown in the Colony, but many of the rural inhabitants fail to appreciate the importance of including fruit and vegetables in their diet, and as a result cases of avitaminosis are met with from time to time. It is hoped that with increasing health education through the medium of the schools, Government health centres and dispensaries, the health inspectors, the press and radio, the public will become more aware of the importance of a properly balanced and adequate diet.

During the year generous assistance from the United Nations Children's Fund enabled additional supplies of drug and diet supplements to be given out at maternal and child welfare clinics and health centres throughout the Colony.

Eye Diseases

The ophthalmologist appointed for the three British Borneo territories visited North Borneo from April to June, and again in October, November and December. He reported having seen

1,959 patients and having performed 365 operations. 104 of the operations were for the relief of cataract. 400 patients had glasses prescribed. During these visits sixty-two incurably blind persons were seen, twenty per cent of whom suffered blindness as a result of measles during childhood. The Chinese readily come forward for operations on the eye and for advice on the early treatment of eye troubles. Unfortunately the natives, who stand most in need of this form of treatment, often present themselves too late for effective treatment. This is partly due to the fact that a great proportion of the native population lives in places remote from hospitals and clinics and is inaccessible even to travelling dispensaries. Out of 1,400 schoolchildren examined, over seven per cent were found to suffer from trachoma.

Government Hospitals and Dispensaries

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

During the year 14,452 inpatients were treated as compared with 12,304 in 1955. Out-patients numbered 342,134 as compared with 308,332. The post-war rehabilitation of hospitals in the main towns is now nearing completion. Work, which is now well advanced, continued on the construction of the new Jesselton hospital and it is hoped that the building will be completed in 1957. It is now possible to start planning the other new buildings, primarily for the treatment of tuberculosis, which will supplement existing hospital buildings. Progress is, however, necessarily dependent to a large extent upon the availability of plant and materials and upon the provision of trained staff.

New nurses' quarters in the towns of Jesselton and Sandakan compare favourably with any in British Borneo. Other staff quarters were materially improved during the year.

Health centres in Jesselton and Sandakan continued their work throughout the year. These centres provide ante-and post-natal clinics and infant welfare clinics in the two principal centres of population. A full-time Health Visitor is available at each centre.

Support and assistance continue to be 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 forty-five patients throughout the year. The inmates, who have greatly benefitted 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 only four or five new lepers are admitted each year, and discharges usually exceed admissions. Arrangements to transfer the majority of these patients to another treatment centre in 1957 are under examination.

Mental Hospital

Conditions in the Mental Hospital in Sandakan have been improved by the appointment of a male nurse trained in the care of mental diseases. Treatment has been possible on an enhanced scale, but no permanent improvement can result until a new mental hospital is completed. A site near Jesselton has been selected and surveyed, but limitations on the availability of earth-moving plant and equipment make it unlikely that building can be begun in 1957. Although a fair proportion of patients is fit for discharge after relatively short treatment, the number of chronic cases is steadily increasing. There were 144 patients at the end of 1956 compared with 125 in 1955. In countries such as North Borneo it is expected that the number of mental patients is about one per 1,000 of population, so that provision for some 350 beds will ultimately be required.

Travelling Dispensaries

Motor ambulance dispensaries especially designed for the purpose have continued to serve a number of small towns and villages for distances of up to twenty miles and more from Jesselton, Kota Belud and Keningau. On the East Coast regular visits are made to the more remote stations by launch. A railway travelling dispensary operates between Jesselton and Beaufort on a weekly schedule with night stops at Kinarut, Papar, Membakut and Bongawan. It is in the charge of a Senior Hospital Assistant, who is assisted by one attendant. The dispensary is attached to a train and is shunted to the siding at its stopping point where attention is given to those in need of it until the next train comes along which brings the dispensary to the next succeeding station. It has proved to be a great success and in 1956 treated 14,893 patients.

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. The larger estates and industrial concerns have dispensaries or small hospitals, and during the year there were forty-nine places of employment at which such medical facilities were provided.

Staff

The Department is administered by a Director assisted by a Deputy Director of Medical Services (who is also Medical Officer of Health), with a Colony Matron, Sister Tutor and Medical Accountant-Storekeeper at headquarters in Jesselton. A full establishment of twelve Medical Officers in addition to the Colony Surgeon and Dental Officer was maintained throughout the year.

The teaching of nursing under the care of the Sister Tutor continued during 1956. Ten finalists completed their course, and at the end of 1956 fifty-two probationers were in training. The experiment commenced in the middle of 1955 of bringing in practising village midwives or *bidans* for a brief period of simple training was successful and was continued. These women, who are unregistered and untrained, customarily conduct a great deal of midwifery in the country districts. Those selected for training are recommended by the local village headman and supported by the District Officer or District Team. They spend some three weeks in a recognised centre and at the end of their course are provided with bags containing simple equipment supplied by the United Nations Children's Fund. So far fifty such *bidans* have been given training.

The total medical and health staff in the Colony is shown in Part B of Appendix VII.

Visitors from Overseas

Visits during the year were received from officials of the World Health Organisation, whose Regional Office for the Western Pacific is situated in Manila, and from the Resident Representative of the United Nations Children's Fund, whose headquarters are in Bangkok.

Professor Hill of St. Andrew's University visited the Colony in July. His visit was arranged by the Secretary of State for the Colonies under a scheme whereby distinguished medical visitors are enabled to travel to Colonial territories. The object of the scheme is to keep doctors in the territories concerned abreast of the latest developments in the various spheres of medicine and, in addition, to enable consultants to have an opportunity of seeing practice in medicine in places other than their own school or university. On this occasion, Professor Hill visited Malaya, Singapore, Hong Kong, North Borneo, Sarawak and Brunei.

Other visitors included Sir Alexander MacFarquar of the Technical Assistance Board of the United Nations, and representatives from various departments of the University of Malaya. The continuing interest taken in the Colony's medical problems by these visitors is greatly appreciated.

Expenditure

The provision for expenditure on medical services from Colony funds in the 1956 Estimates including personal emoluments amounted to \$2,822,689. This figure refers to Medical Department expenditure only, and does not include expenditure in the towns on such municipal conservancy measures as scavenging, removal of night-soil and inspection by local authority officials within urban areas. Neither does it include capital expenditure on new buildings nor the generous aid which the Colony has continued to receive from Colonial Development and Welfare funds, and from the United Nations Children's Fund, the World Health Organisation and 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 TOWN PLANNING

Town Planning

The Town and Country Planning Ordinance (Cap. 141), which was enacted in 1950 to repeal the 1926 Ordinance, makes provision for the constitution of a Central Town and Country Planning Board to consist of five *ex-officio* members and five other persons to be nominated by the Governor. The Under Secretary is Chairman of the Board.

The preparation of town plans for the existing towns in the Colony has long been completed, and their implementation is well under way.

During the year the Board held five meetings dealing with amendments to the town plans of Jesselton, Labuan and Sandakan. The amendment to the Labuan town plan, which was still under consideration at the end of the year, affected the open space fronting the sea formerly zoned as playing fields and recreation area. The amendments which affected Jesselton and Sandakan dealt with minor alterations to the zone schemes and dimensions of building lots. A proposed extension to the Jesselton plan was also considered. This refers to an area now being reclaimed north of the approach to the wharf which it is intended should be utilised for bulk oil storage and additional godown space.

The Board continued to advise Urban Authorities on building designs and other problems connected with the implementation of approved town schemes.

Government Building Programme

The two largest works undertaken under the Government building programme were the construction of a new hospital (168 beds) and the Central Government Offices at Jesselton, on each of which work had commenced in 1955. It is hoped that these works will be completed during 1957.

The work of replacing temporary quarters and constructing additional accommodation for Government officers of all grades continued. A number of new houses of improved design were completed for senior and subordinate staff. A new Residency and Judge's Lodgings were constructed at Jesselton and work had been commenced at the end of the year on the modernisation and improvement of the Residency at Sandakan.

In addition to work on the new General Hospital, work was started on a tuberculosis hospital of 144 beds in Jesselton, together with a number of quarters for the accommodation of the dressers and attendants required to staff the two hospitals and a block of four flats for nursing sisters. Work on the new hospital at Keningau, which had been started in 1955, continued throughout the year. The hospital is being built in permanent materials and the difficulty in transporting these from Jesselton has caused some delay. However, by the end of the year several wards and most of the dressers' quarters had been completed and were in regular use. A new tuberculosis ward was built at Tawau and a first class ward at Labuan. The cost of the two hospitals at Jesselton and that at Keningau is being met largely from Colonial Development and Welfare funds.

The Education Department's building programme included the construction of a number of schools and teachers' quarters in outstations, including Tamparuli, Rampazan, Gadong, Mempagar, Kota Klias and Weston. A new school and two teachers' quarters at Tawau were nearing completion at the end of the year and work had commenced on the preparation of the site for a secondary technical school to accommodate 350 pupils at Jesselton. Work was also commenced on new schools at Papar and Sembulan (Jesselton). The cost of all these works was financed from Colonial Development and Welfare funds.

Other Government buildings constructed or nearing completion during 1956 included a Customs and Marine office at Labuan, barracks and N.C.O.s' quarters, a Home for old people, new store buildings and garage for the Public Works Department at Sandakan, a new workshop for the Public Works Department at Jesselton, a post office at Tuaran, a rest house in permanent materials to replace the former temporary building at Kota Belud,

police barracks at Lahad Datu and Tenom, quarters for the Medical Officer at Beaufort and a hangar for the aircraft of the internal air service at Labuan. Work had been started before the end of the year on a 2-storey market in the newly reclaimed area at Jesselton, post offices at Kudat and Tawau, police barracks at Tawau and Semporna and a house for the Medical Officer at Keningau, in addition to a number of smaller buildings.

Private and Commercial Buildings

Taking advantage of the impetus gained during 1955 private construction works throughout the Colony made very noticeable progress during the year and the reconstruction of the principal towns is now proceeding apace.

In Jesselton a number of new shophouses and light industrial buildings in the centre of the town were completed, the reclamation of an extensive area for commercial buildings along the water front was finished, and work continued on a modern cinema in Kampong Ayer. Private building continued in the residential areas at Likas and Tanjong Aru, where there has been rapid expansion in recent years. The most noticeable feature of new building in Sandakan was the completion early in the year of the two Bank offices. These buildings, together with the long since completed Government Offices, set a high standard for the reconstruction that is now taking place in the town. Good progress was made at Tawau and at Labuan, where the rebuilding of the second class commercial area has been commenced and further first class commercial buildings have been completed. New shops, commercial and industrial buildings were built in a number of other towns including Tuaran, Beaufort, Papar, Kota Belud, Kosigui (Penampang), Kudat, Tambunan and Mesapol.

In spite of the strides that have been taken it is evident that much still remains to be done in the reconstruction of the towns, large and small, throughout the Colony after the widespread devastation that was one of the legacies of the last war. The high cost of building has proved a deterrent to new construction, particularly in permanent materials, but a system of Government-sponsored loans has been in operation since 1955 and this has done much to stimulate and encourage private building.

Building Materials

There were no radical changes in the types of building material used during the year. In the larger towns, the areas in the centre of the towns are generally designated as "brick areas"

under the town plans in which only permanent materials (i.e. bricks, cement, concrete blocks, reinforced concrete, fireproof sheeting or tiles) may be used. In all towns the types of materials which may be employed are governed by town plans and the building by-laws administered by the Local Authorities. In the smaller centres buildings are generally of semi-permanent construction and timber is the most commonly used building material, though *belian* (or "Borneo iron wood") shingle roofing formerly employed is being supplanted by asbestos or corrugated iron sheeting. The majority of Government quarters are built in semi-permanent materials, but a number of new quarters built during 1956 were of permanent construction.

Dwellings in suburban areas of the larger towns are generally solidly constructed in semi-permanent materials (timber is the principal material used) often on concrete pillars with roofing of *belian* shingles, asbestos sheeting, or corrugated iron. In rural areas houses, especially those of farmers, are often of much more flimsy construction, many having *attap* (palm-thatch) roofing and beaten earth floors.

In Native villages houses are invariably raised above the ground on piles and entered by steps or notched tree trunk. In some parts of the country (noticeably in the more heavily populated and accessible areas on the West Coast) attractive timber buildings with corrugated iron roofs are not uncommon, but in general the construction of native houses is more primitive. Houses are generally built of bamboo or nipah-palm stems, thatching made of nipah or sago palm leaves, or bark on round jungle pole frames. Such materials are easily obtainable from the forest and but for their relatively short life can be considered quite adequate. Among Murut and Dusun tribes living in less accessible areas longhouses are still to be found. These are never as long as those commonly found in other parts of Borneo and seldom exceed 200 feet in length. In the Tambunan plain in the Interior the Dusuns build their houses entirely of bamboo.

Hotels and Rest Houses

Furnished Government rest houses are maintained at Keningau, Tenom, Beaufort, Sipitang, Papar, Kota Belud, Ranau, Kudat, Lahad Datu and Tawau. Accommodation and meals may be obtained at fixed charges. The rest houses are the only places in the towns in which they are situated which offer hotel facilities. Those at Ranau, Keningau, Kota Belud and Beaufort are particularly well patronised by visitors. A new rest house was built in permanent materials at Kota Belud during the year and a small rest house in semi-permanent materials at Sipitang. There are hotels at Jesselton, Labuan and Sandakan.

SOCIAL WELFARE

Social Welfare Council

The Social Welfare Council, which was first appointed in 1954, met three times during the year. The terms of reference of the Council, which consists of nine persons prominent in the fields of Social Welfare with the Commissioner of Labour and Welfare as Chairman, are now as follows:

- (i) To co-ordinate the social welfare work of the voluntary organisations *inter se* and of such organisations with that of Government;
- (ii) 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;
- (iii) To advise Government on particular issues connected with social welfare which may be referred to it by Government;
- (iv) To advise on the appropriate distribution among the various social welfare organisations in the Colony of any funds which may become available for welfare purposes from Government revenue, social welfare lotteries or any other source.

Funds available to assist social welfare organisations now come from two sources, firstly, from direct votes from Government, and, secondly, from the proceeds of social welfare lotteries the first of which was organised during 1956 with the assistance of the North Borneo Turf Club, which is licensed to carry out six such lotteries annually. Regular quarterly meetings have now added much to the usefulness of the work of this Council.

Welfare of Children and Young Persons

The Commissioner of Labour and Welfare is the Protector under the Women and Girls Protection Ordinance (Cap. 159) but cases of children and young persons in moral danger or requiring protection are rare in this country. Destitution of children is also almost unknown.

Relief of the Destitute and Disabled

Public assistance for the care of the aged is the responsibility of the Department of Labour and Welfare operating through the Paupers Ordinance (Cap. 93). Institutes are 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 has the assistance and advice of two voluntary boards in the administration of the funds of

the institutes. Charitable assistance is also received from the public in the way of amenities as gifts to inmates of the institutes. During the year the average number of inmates was 167.

A new institute with pleasant modern buildings designed to accommodate 100 old persons was built and occupied in Sandakan during the year, the previous buildings being demolished.

War Victims Fund

The North Borneo War Victims Fund Ordinance (Cap. 88) authorised the establishment of a fund to be known as the North Borneo War Victims Fund and to be financed from voluntary contributions and such appropriations as may be made available from time to time by Government. The object of the fund is to give assistance towards the maintenance, education, benefit or advancement of any inhabitants of the former State of North Borneo who were incapacitated as a direct result of the war, and of their dependants. The fund is administered by a Board of Trustees, the Chairman of which is the Commissioner of Labour and Welfare.

Support from all sections of the community has been most generous since the fund was inaugurated in 1949. On Liberation Day (9th September) a special annual appeal is made. The following figures show the extent of the support which the public has given in response to the appeals:

1951	...	...	...	\$37,000
1952	...	...	...	30,000
1953	...	...	...	20,000
1954	...	...	...	25,000
1955	...	...	...	27,000
1956	...	...	...	23,000

During the year the Board approved subsistence relief totalling \$20,899, which sum included both monthly allowances and food. At the end of the year some 211 persons were receiving such assistance. The Fund contributed also towards the cost of educating the children of war victims who could not afford to pay their school fees in full; in special cases the entire maintenance of children in boarding schools was paid. In 1956, \$24,490 was spent in assisting 275 children. Rehabilitation grants amounted to \$3,818.

Juvenile Delinquency

Under the Prisons Ordinance (Cap. 108) 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 Government of the receiving Colony. Cases of juvenile delinquency coming before the Courts are now, whenever communications and other conditions

permit, investigated by the Department of Labour and Welfare with the co-operation of the Police and appropriate recommendations are made to the Courts. During the year one young offender was sent to the Boys' Home in Kuching. Two boys were returned to North Borneo from the Home during the year and assistance and advice in settling down was given to them by the Department of Labour and Welfare.

Prisons Welfare

All prisons and lock-ups are visited regularly by Prison Justices and Prison Visiting Committees. For further details see page 105.

Red Cross

In 1956 the North Borneo Branch of the British Red Cross Society was enabled to expend its welfare and training activities by the arrival of a full-time Field Officer, whose services were generously made available by the Society's headquarters in London. The Field Officer arrived in January and was active throughout the year in fostering the existing Divisions and developing Red Cross work in new places. The Branch is now organised on a basis of two Divisions—one on the West Coast and one on the East Coast. Centres have been established at Kudat, Kota Belud, Beaufort and Labuan and there are a Group at Ranau and Representatives at Tenom, Keningau and Sipitang.

A Red Cross hut at Trusan and a building for a Clinic at Kudat were opened during the year. Plans were well advanced for a Rest Centre at Sandakan for outpatients attending from distant places and requiring regular hospital treatment.

First aid, home nursing and mothercraft courses have been held at Jesselton, Sandakan, Labuan and Kota Belud.

The scope of welfare activity has been wide. On the East Coast, visits have been made to timber and logging camps, and distribution of milk to nursing mothers and under-nourished children was started during the year. The Centre at Labuan has continued hospital visiting and the provision of clothing for the hospital. During the year a polio cripple was sent to Jesselton. The Kota Belud Centre has run a weekly clinic, which was attended by over 2,500 patients. In Jesselton, the West Coast Division has financed schooling for children and has maintained hospital visiting. It deals with a large number of welfare cases. A boy was sent to Kuala Lumpur for the fitting of an artificial leg during the year. In Ranau, where there is a Group Leader, considerable efforts have been made to advance welfare work and the distribution of foodstuffs, clothing and milk to needy persons.

In March, Red Cross work in the Colony was inspected by the Director of the Junior Red Cross from the Society's headquarters in London.

The greatly increased work of the Branch has been assisted by funds made available by the Social Welfare Council. It is hoped that with further assistance from the Field Officer the expansion of training and welfare work will be continued during 1957.

At the end of 1956 the membership of the Branch was as follows:

Uniformed Members	...	...	111
Members	...	...	131
Associate Members	...	...	150
Junior Members	...	...	319

St. John Ambulance Association and Brigade

The Association has continued to be active but its work has been severely handicapped by many changes in key personnel occasioned by leave and transfers. As yet few local officers, most willing and helpful in other respects, feel that they can undertake the duties of the more responsible positions. It may be some time before this reluctance, which is rather on account of shyness than of lack of ability, can be overcome.

First-aid classes were organised in a number of places and three members of the Police Force were successful in passing the "lay instructors" course which was started late in 1955. Twenty-four members of the Police Force obtained First Aid Certificates and at the end of the year more than 100 were receiving instruction.

The Brigade pursued its usual activities throughout the year, attending all the important sports fixtures, race meetings and larger public functions. In conjunction with the Red Cross relief was afforded to the victims of fires, several of which were serious, and a number of members donated blood as and when required at the hospitals.

The two ambulances continue to render excellent service and it is hoped that it will be possible to bring a third into service in the fairly near future.

Boy Scouts

The year was one of quiet but satisfactory progress for the Boy Scouts Association. No new major projects were started but there was a very substantial increase in membership, which rose from 1,002 to 1,200 scouts of all ranks. It is especially satisfactory that most of this increase has taken place in rural areas, and generally where troops are small. The West Coast continues to lead in numbers with well over 500 Scouts and Wolf Cubs.

Mount Kinabalu was again climbed by parties of Scouts. A rally held at Labuan was well attended, and camps have been held by most of the established troops. A highly successful 'Dollar a Job' week was held throughout the Colony. This not only produced funds but called the attention of the general public to the work of the Scouts.

There has been an exchange of visits with Brunei Scouts, and a party of Sandakan Scouts visited Kuching.

A programme entitled *Scout News* given over Radio Sabah has proved popular. Preparations for a party from North Borneo to visit the Jubilee Jamboree to be held in England during 1957 have been started.

Girl Guides

In 1956 the North Borneo Girl Guides Association printed, for the first time, its own annual report, which offered a complete record of guiding in North Borneo during the previous year. The Colony is divided, for Guiding purposes, into four Districts, in which are ten Companies and five Brownie Packs. The total enrolment in the Colony at the end of the year comprised 139 Guides and sixty-two Brownies, an increase of sixteen Guides and four Brownies on the previous year's enrolment. That there was such a small increase was on account, principally, of the continuing shortage of Guiders as well as the transport difficulties encountered by many persons who wished to become Guides but were unable to do so for this reason.

On the administrative side there are now twenty Guiders, one District Commissioner and one Training Adviser. Very satisfactory progress has been made by the Colony Training Adviser, particularly in the training of young Guiders who are permanent residents of the Colony.

In March a representative of the Asia Foundation, Mr. Patrick Judge, visited the Colony. Generous monetary assistance was offered by the Foundation and accepted by the Association.

Local Associations continued to give valuable help and support in all districts.

North Borneo Anti-Tuberculosis Association (NOBATA)

The Association was registered in 1953 as a local voluntary social welfare organisation with the principal object of combating tuberculosis in the Jesselton area. Steady progress has been made during the past three years and it has been found necessary to expand the activities of the Association to other districts in the Colony. The Association is now firmly established as a Colony-wide voluntary aid body, with twenty branches in various parts of the country. The parent branch is situated in Jesselton;

autonomous branches operate in the main towns of each Residency. Provisional branches have been formed in a number of districts. The main activities of the Association during 1956 included the provision of relief to tubercular patients and their dependants, the dissemination of anti-tuberculosis propaganda and a sustained publicity campaign directed to making the population aware of the dangers of the disease.

More than 100,000 leaflets and posters were distributed to schools, estates and commercial undertakings during the year. Government departments have assisted the Association in its preventive campaign particularly by offering guidance to local committees in the management of their welfare and relief problems. District Teams and District Officers have played a very active part in furthering the objects of the Association among Natives in rural areas. *NOBATA* huts have been constructed in most of the main centres, and in Jesselton a canteen and rest home have been built to cater for and accommodate out-patients and suspects attending Jesselton hospital for examination and treatment. Special attention is paid to the needs of patients in hospitals. Relief is given to patients and their children after investigation of individual cases by the Association's lady welfare officers attached to each branch.

The Association's voluntary lady welfare officers travelled extensively throughout the year, visiting out-patients and villages to provide assistance for patients and their dependants and to maintain contact with ex-patients. Food parcels and tonic foods were distributed to deserving cases and their families, and extra relief was given in the form of clothing. Small cash grants were made available to very poor patients unable to support themselves.

In the field of rehabilitation the Association, with the assistance of Government departments, has been able to secure light employment for a number of ex-patients. Progress has been made on occupational therapy work and ambulant patients are encouraged to manufacture fishing nets, to grow vegetables and to make articles for sale on sewing machines supplied to the Association through the World Health Organisation.

The Association continues to work in close liaison with the Medical Department and the local branches of overseas organisations, such as the British Red Cross Society and the National Association for the Prevention of Tuberculosis in the United Kingdom. Valuable contacts are maintained with other Commonwealth anti-tuberculosis organisations, such as the Singapore Anti-Tuberculosis Association, the Anti-Tuberculosis Association of Sarawak and the South African Tuberculosis Association, and also with the National Tuberculosis Association of the United States of America.

The generous support of the public was well maintained during 1956 and increased financial aid from Government has resulted in the Association being able to intensify its work in all fields. A fully-qualified dresser has been employed to visit country villages and to give advice and attention to out-patients who are unable to pay regular visits to hospitals where treatment can be given. The Association has been able to pay school fees for patients' children and to increase welfare work in all district hospitals. Patients in hospitals are supplied regularly with reading matter and each T.B. ward has been equipped with its own wireless set and other recreational facilities. At Christmas the Association arranged special Christmas dinners for the patients and distributed more than 1,000 gift parcels to tubercular patients throughout the Colony.

Rotary International

Rotary Clubs flourish at Jesselton and Sandakan with a Rotary Inner Wheel Club, composed of the wives of Rotarians, which meets in Jesselton. The Jesselton Club has continued its contribution to social services, by ensuring the continued well-being of the Youth Club which was built in 1955 under its auspices and opened by His Excellency the Governor at the beginning of the year. Its present target is the beautification of Jesselton which is a matter of general concern as the town is rebuilt. Practical assistance has also been given to a number of other public causes.

Chapter 8: Legislation

Laws applicable in the Colony

The Colony of North Borneo comprises the former State of North Borneo and the Settlement of Labuan, which were governed respectively by the Laws of the former State and the Laws of the Straits Settlements. The work of unifying and revising the Laws was completed during 1955, when the Revised Edition (1953) of the Laws of the Colony and a supplementary volume in respect of the last six months of 1953 and the whole of 1954 were published. Annual volumes are now issued each year.

Legislation

During the year under review thirty-two Ordinances were enacted, the most comprehensive of which were those dealing with drainage and irrigation, fingerprints, fire-arms and explosives, prisons, electricity board, income tax, pioneer industries (relief from income tax) and reconstitution of land title registers (completion).

The object of the Drainage and Irrigation Ordinance (No. 15) is to provide legislation governing the establishment and control of drainage and irrigation works in the Colony. The Fingerprints Ordinance (No. 18) is to repeal and replace the Register of Criminals Ordinance (Cap. 121) which was enacted in 1930. Reciprocal arrangements have been made with neighbouring territories for the exchange of fingerprint records and the law on this point has been agreed and cast in more modern form. The Firearms and Explosives Ordinance (No. 17) is to repeal and replace the existing law relating to arms and explosives, and to provide for a central control of licensing of persons who deal in or use fire-arms and explosives, with wider authority in licensing the actual arms and explosives which may be dealt in or used by such authorised persons. The Prisons Ordinance (No. 7) is to consolidate and amend the law relating to prisons, and to provide for the organisation, discipline, powers and duties of prison officers, and for matters incidental thereto. The Electricity Board Ordinance (No. 27) is to provide for the establishment of a corporation to be known as the North Borneo Electricity Board and for the exercise and performance by the corporation of functions relating to the supply of electricity and certain other matters; for the transfer to the corporation of electrical installations owned by the Government; for the acquisition by the corporation of electrical installations and for the payment of compensation therefor; and for purposes connected

with these matters. The Income Tax Ordinance (No. 29) is to consolidate the existing law relating to the assessment and collection of income tax. The Pioneer Industries (Relief from Income Tax) Ordinance (No. 30) is to make provision for encouraging the establishment and development in the Colony of industrial and commercial enterprises by means of relief from income tax. The Reconstitution of Land Title Registers (Completion) Ordinance (No. 19) is to provide for the completion of the reconstitution of the land title registers of the mainland of the Colony.

A group of three Ordinances, the Criminal Procedure Code (Amendment) Ordinance (No. 6), the Penal Code (Amendment) Ordinance (No. 5) and the Interpretation (Amendment) Ordinance (No. 8) removed from the Penal Code the classification of rigorous and simple imprisonment in conformity with the new prisons legislation.

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

Betting and Sweepstake Duties (Amendment) Ordinance (No. 3), Cinematograph Films (Control) (Amendment) Ordinance (No. 9), Customs (Amendment) Ordinance (No. 12), Customs (Amendment No. 2) Ordinance (No. 14), Education (Amendment) Ordinance (No. 16), Gaming (Amendment) Ordinance (No. 4), Gaming (Amendment No. 2) Ordinance (No. 25), Land (Amendment) Ordinance (No. 11), Land (Amendment No. 2) Ordinance (No. 31), Municipal and Urban Authorities (Amendment) Ordinance (No. 10), Municipal and Urban Authorities (Amendment No. 2) Ordinance (No. 32), Mining (Amendment) Ordinance (No. 22), Registration of United Kingdom Patents (Amendment) Ordinance (No. 1), Rent Control (Amendment) Ordinance (No. 2), Rent Control (Amendment No. 2) Ordinance (No. 13), Undesirable Publications (Amendment) Ordinance (No. 24), Electricity (Amendment) Ordinance (No. 28), and the usual Appropriation Ordinances.

Chapter 9: Justice, Police and Prisons

JUSTICE

THE main structure of the North Borneo system of law consists, apart from Orders of the Queen in Council, of Ordinances 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 (Cap. 6) 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.

Four 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 other districts on circuit. There is only one Judge resident in the Colony.

During the year one full-time professional Magistrate was appointed. He has been stationed in Jesselton, but has visited Sandakan and other districts to hear cases.

The other Magistrates are drawn from the Administration. Of these there are gazetted 24 Magistrates of the First Class, ten Magistrates of the Second Class and thirteen Magistrates of the Third Class. Several Magistrates, however, are seldom called upon to exercise magisterial functions.

In the High Court civil litigation has followed very much the pattern of that of previous years, the chief class of action being that for the recovery of money lent, or money for goods received. The professional Magistrate's jurisdiction extends to \$1,000, and claims for over that sum are triable in the High Court.

A record of the work of the Courts of the Colony during 1956 will be found in Appendix VIII.

Native Courts

Quite distinct from the Magisterial Courts are the Native Courts, of which there were forty-one in the Colony at the end of the year. The Courts are established under the provisions of the Native Courts Ordinance (Cap. 86) and have jurisdiction in the following matters:

- (a) in cases arising from breach of native law or custom in which all the parties are natives;
- (b) in cases arising from breach of native law or custom, religious, matrimonial or sexual, if the sanction of the District Officer has been obtained to the institution of proceedings where one party is a native;
- (c) in cases arising from breach of Muslim law and custom in which all the parties are Muslims; and
- (d) in other cases where jurisdiction is expressly conferred by other legislation.

For offences against native law or custom a Native Court may impose a fine or may order imprisonment, or may inflict any punishment authorised by native law or custom that is not repugnant to natural justice and humanity.

Appeals from the Courts lie to the District Officer, who also has the power of revision, and from the District Officer to the Resident. A final appeal lies to the Governor.

During 1956 a total of 2,052 cases were heard by the Native Courts. There were fifty-three appeals to District Officers, eighteen to Residents and two to the Governor.

POLICE

Organisation

The headquarters of the North Borneo Police Force are at Marina Barracks, Kapayan, some five miles south of Jesselton. Immediately adjoining are the Police Depot and training school.

The Colony is divided into two police divisions, one covering the East Coast and the other covering the West Coast and Labuan.

The East Coast Division comprises three police districts and is commanded by a Senior Superintendent, who has his headquarters at Sandakan. Each of these police districts is in the charge of a Gazetted Officer. In addition there is a Marine Branch based at Sandakan.

The West Coast Division comes directly under Police headquarters and comprises Jesselton, Labuan, Kudat and Beaufort police districts, each in the charge of a Gazetted Officer. In addition, there are seven police station areas where the District Officer performs the duties of a police officer in addition to his other duties.

Establishment

The establishment was increased in 1956 by one Gazetted Officer and one Inspector for the Special Branch and by one Chief Inspector and seventeen Other Ranks for the Marine Branch. The latter had been working with the police since their launches were allocated to the Police Force in 1955.

The establishment and strength at the beginning and end of 1956 were as follows:

	<i>Establishment</i>		<i>Strength</i>	
	31-12-56	1-1-56	31-12-56	
Gazetted Officers	22	20	22	
Inspectors	21	13	21	
Sergeant Majors	7	7	7	
Sergeants and Lance Sergeants ...	45	43	37	
Corporals and Lance Corporals	105	95	97	
Constables	746	731	720	
Detectives and P.I.Es.	40	39	34	
Rural Constables	30	31	31	
Teachers	1	1	1	
Serangs and Engineers	12	7	8	
	1,029	987	978	

The racial composition of the Force on 31st December was: twenty-two Europeans, 542 Dusuns, 171 Muruts, four Malays, twenty-four Chinese, forty-two Indians and Pakistanis, seventy-two Bruneis and 101 others.

Police Reserve and Special Constabulary

The number of police reservists rose by seventeen during the year and stood at 204 on 31st December. The police reserve consists of personnel who have had at least three years' service in

the Force and who volunteer to join the reserve. The Special Constabulary continued to be active in some places, notably Sandakan, but in other places interest has fallen off.

Recruitment and Training

Some improvement was noticeable in the educational standards of applicants for enlistment. Of 215 prospective recruits interviewed, sixty-six were accepted for training. Thirty-one of these had received some instruction in the English language and had reached Primary III standard. Four had reached Secondary I standard.

English classes at Primary II and III standard form part of the normal recruit's course, but difficulty is being experienced in obtaining the services of a suitable teacher.

Statistics of recruitment for the year are as follows:

In training		Completed training in 1956	69
on 1/1/56	51	Discharged as unsuitable	13
		In training on 31/12/56	35
Recruited during			
1956	66		
	<hr/>		<hr/>
	117		117
	<hr/>		<hr/>

Included among the recruits were fourteen men for the Marine Branch. For these the normal recruit's course at the Depot was varied to suit their future employment and also shortened to three months, since much of their training has of necessity to be conducted afloat.

Twenty-four lance-corporals and constables were selected for a promotion course of twelve weeks' duration and of these fifteen passed out successfully and were promoted.

Five Gazetted Officers and four Inspectors undertook a short course in riot control and procedure and three Probationary Inspectors underwent a special course with emphasis on riot control and procedure, foot and arms drill, weapon training, fire fighting and first aid, which will be completed in January, 1957.

Training in first aid is included in all courses and three men passed the St. John Ambulance Association Lay Instructor's examination. Twenty-four men were awarded the First Aid Certificate.

Discipline, Health and Welfare

Discipline was well maintained throughout the Force during the year. Morale remained excellent, with the exception that a growing shortage of married quarters, occasioned by an un-

expected rise in the marriage rate, continues to cause some distress and may have influenced some younger married men not to renew their contracts.

A Central Canteen Fund is maintained at Police Headquarters with contributions received from the Depot Canteen and the canteens run in Police Districts. The Central Canteen Fund is used to promote police welfare and recreation in all stations through the provision of indoor and outdoor recreational and sporting equipment. This is the only fund to which personnel contribute. The contributions are made in the form of small profits on commodities, the prices of which are determined by committees composed of all ranks.

Police teams and individuals continue to do well in all forms of sport and it is a matter of great pride to the Force that the Colony's first entry for the Olympic Games was a police constable who holds the local record for the Hop, Step and Jump event and whose best effort was well above the Olympic qualifying standard.

There were no epidemics among personnel in any area during the year and the health of the Force as a whole was good. Few new cases of tuberculosis were reported and there were no deaths from disease.

Attendance at the Depot clinic run by the Medical Department continued to increase, as the following figures show:

	1953	1954	1955	1956
Number of clinics held	42	48	51	52
Attendance ...	1,597	2,797	3,540	4,336

In the Depot and in other stations every effort is made, particularly by the wives of officers, to ensure that the families of personnel attend clinics and that they learn to appreciate the value of the facilities offered.

Band

The police band has proved popular on its public appearances. These were limited mainly to the neighbourhood of Jesselton during the year owing to the expense involved in transporting the men to other stations. Personnel of the band are incorporated in a platoon of the mobile force.

Transport

Two new Austin personnel-carrying vans and two motor-cycles were taken in use while one lorry and one Land Rover were taken off the road. Funds have been approved for two additional Austin personnel-carrying vans for purchase in 1957.

Marine Branch

Marine craft at the beginning of the year comprised three 70-ft. sea-going launches, two 30-ft. sea-going *kumpits* and two 22-ft. harbour launches. During the year four new 37-ft. sea-going *kumpits* were built in Sandakan and the two 30-ft. *kumpits* were withdrawn and sold. The new *kumpits* were taken into use as they came off the stocks. They have all suffered from "teething" troubles, which have necessitated reference to the makers of the engines. Despite this, they have performed useful service and constitute a very valuable link in the patrol schemes, particularly in shallow coastal waters and rivers.

Occasional visits and patrols by R.A.F. Sunderland aircraft and by units of the Royal Navy and Royal Australian Navy have a very valuable effect on morale along the East Coast and undoubtedly serve to a certain extent as a deterrent to would-be marauders who operate from outside territorial waters.

All launches and *kumpits* are fitted with radio and maintain contact with each other whilst on patrol and with police radio stations ashore.

Police craft were responsible for the arrest of forty-five foreign craft and 113 persons for infringements of the law in territorial waters. The majority of the craft seized were confiscated and sold. Police marine craft and personnel have also assisted in the investigation of offences reported along the coast line.

The establishment of the Branch at 31st December was as follows:

				<i>Establishment</i>	<i>Strength</i>
Gazetted Officers	...	...		1	—
Inspectors	...	...		1	1
Serangs					
Special Grade	...	...		3	3
Grade I	...	...		3	1
Engineers					
Special Grade	...	...		3	3
Grade I	...	...		3	2
Sergeants	...	...		1	—
Corporals	...	...		10	5
Constables	...	...		49	51
Radio Operators	...	...		9	6
				—	—
				83	72
				—	—

Radio Communications

There are HF radio sets at Police Headquarters and at a number of police stations. All of the sea-going launches and *kumpits*

are fitted with radio. In addition, there is a VHF network covering the Jesselton area. All radio sets are installed and maintained by the Posts and Telegraphs Department, which also trains the operators.

Watches throughout the twenty-four hours are maintained at Police Headquarters and at Divisional Headquarters, Sandakan. Daily schedules are maintained from Police Headquarters with the Sarawak Constabulary and the Brunei Police.

Buildings

New police stations were opened at Tawau and Sebatik island during the year. New quarters at Labuan, Tenom and Sipitang were completed and occupied. Inspectors' and subordinate police officers' flats at Divisional Headquarters, Sandakan, were also completed and occupied. New marine barracks at Sandakan will be ready for occupation early in 1957.

Crime

Serious crime is fortunately comparatively rare. 3,690 cases of all categories of crime were reported in 1956, an increase of 634 cases over the previous year's figures. 2,051 convictions were obtained in 2,215 cases taken to Court. The number of persons convicted was 2,523.

There was a slight fall in the number of offences against the person. There was also a small decrease in the number of offences against property which formed a large majority of the offences against the Penal Code committed during the year. Comparative figures are as follows:

	1953	1954	1955	1956
Offences against the person ...	62	63	116	94
Offences against property ...	553	618	617	553

Detailed crime statistics will be found at Appendix X.

115 juveniles and young offenders of ages between seven and twenty-one years were convicted of offences against the Penal Code. Seventy-one of these were convicted for theft and forty-seven were imprisoned. Of 290 juveniles and young offenders convicted for offences under the Laws of the Colony other than the Penal Code, 114 were concerned with traffic offences and eighty-eight under the Immigration Ordinance. Of the latter, sixty-five were imprisoned. 1,040 finger-print enquiries passed through the Criminal Finger Print Bureau; 172 or 16.5% were traced. 763 new registrations were made, bringing the total since the war to 6,530.

Immigration

This important duty, which has been carried out by the Police Department since 1955, necessitates the whole-time employment at Police Headquarters of a Gazetted Officer designated as Staff Officer (Immigration). A total of 3,287 international travel documents was issued at Police Headquarters during the year, in addition to numerous visas and endorsements.

Shipping, aircraft and passenger statistics for the three main ports were as follows:

	1955	1956
<i>Labuan</i>		
Ships	924	1,308
Aircraft	2,196	2,794
Inward passengers ...	11,431	12,557
Outward passengers ...	11,639	13,334
Transit passengers ...	10,059	21,429
<i>Sandakan</i>		
Ships (including coastal and barter trade traffic) ...	835	1,397
Inward passengers ...	8,463	12,350
Outward passengers ...	8,770	11,985
<i>Tawau</i>		
Ships (including coastal and barter trade traffic) ...	3,180	4,179
Inward passengers ...	21,665	27,772
Outward passengers ...	19,834	26,496

PRISONS

Organisation

The Prisons Department is administered by the Commissioner of Police as Commissioner of Prisons.

There is a central prison at Jesselton which can accommodate approximately 200 prisoners and which is under the charge of a Superintendent of Prisons. There is a large lock-up at Sandakan. In addition there are fifteen lock-ups in each district in the charge of Police or Administrative Officers. Persons sentenced to six months imprisonment or more are transferred to the Central Prison at Jesselton or to the large lock-up at Sandakan. All persons who have received sentences of twelve months or more are transferred to the central prison at Jesselton.

Staff

During the year a Superintendent of Prisons was appointed and posted to the central prison at Jesselton.

The establishment and strength of the Prisons Department at the beginning and end of the year were as follows:

	<i>Establishment</i>		<i>Strength</i>
	31-12-56	1-1-56	31-12-56
Gazetted Officers	1	—	1
Gaolers	2	2	1
Senior Warders	3	3	2
Warders	54	47	49
Wardresses	3	2	1
Clerks	2	2	2
	65	56	56

During the year all warders were placed in one salary scale in accordance with the recommendations of the 1956 Salaries Commission. Outstation warders, who were previously employed on a temporary basis, were brought onto the permanent and pensionable establishment.

Discipline and Health

Prison offences showed a substantial increase during the year. Thirty-six disciplinary offences were committed by prison staff, compared with twenty-eight in 1955. Despite these increases the discipline of prisoners and staff can be considered to have been satisfactory.

There were four escapes during the year but in each case the prisoners concerned were recaptured.

Health was satisfactorily maintained. There were no epidemics and no deaths among prisoners or staff.

A Medical Department dresser is stationed at the central prison at Jesselton and another at the lock-up at Sandakan. Medical Officers visit the prison and lock-ups regularly.

Classification of Prisoners

Prisoners are classified as follows:

- (a) First offenders.
- (b) Recidivists.
- (c) Young prisoners (sixteen to twenty-one years of age).
- (d) Juvenile male prisoners (below sixteen years of age).
- (e) Juvenile female prisoners (below sixteen years of age).
- (f) Remand prisoners.
- (g) Female prisoners.

A scheme is in operation whereby prisoners receive promotion by progressive stages for diligence, good work and good behaviour and thus become entitled to various privileges.

Long sentence prisoners are taught trades in the Central Prison and at Sandakan. There are workshops for tinsmiths, carpenters, cobblers, blacksmiths and tailors. Prisoners with an agricultural background are given the opportunity of working in the prison gardens.

Welfare, Education and Sports

Books in various languages are available to prisoners at the various lock-ups. Magazines with plenty of pictures are very popular and are obtained free from several sources.

Films are shown once a month at the central prison and the prisoners produced a concert, devised by themselves, at Christmas.

Visiting Justices and Visiting Committees

Each prison and lock-up is visited monthly by local residents nominated for the purpose to whom prisoners can make any complaints or representations; rations, cleanliness and other aspects of prison administration are subject to their scrutiny also. Few complaints have been received from prisoners, whose representations are adopted when practicable.

Admissions

980 males and thirty-eight females were committed during the year. These figures included eight male juveniles and one female juvenile, of whom only two were convicted. Juveniles on remand are usually committed to prison only when efforts to arrange bail for them have failed.

Juvenile Delinquents

There is little juvenile delinquency and the problem is not a serious 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. There are no special children's Courts and no remand home. By an agreement with the Sarawak Government juveniles who have been sentenced to detention are in most cases sent to the Boys' Home at Kuching.

Chapter 10: Public Utilities and Public Works

PUBLIC WORKS DEPARTMENT

THE Public Works Department is responsible for all engineering and building works of a public nature. The Department is under the direction of the Director of Public Works, who is assisted by a Deputy Director. Departmental headquarters are at Jesselton. Senior Executive Engineers stationed at Jesselton and Sandakan are responsible, under the Director, for public works in the West Coast and Interior, and Sandakan and Tawau Residencies respectively, while other Senior Executive Engineers are in charge of the Drainage and Irrigation and Road Construction branches. There are branch offices in Labuan, Sandakan and Tawau.

The Department is still very much overburdened with work in relation to the staff available. A shortage of supervisory technical staff, rather than of finance, has proved to be the principal limiting factor in the public works programme. The staffing position had improved slightly by the end of the year, partly on account of more attractive conditions of service introduced as a result of the recommendations of the 1956 Salaries Commission. However, it was still very unsatisfactory and continues to present a serious problem. A total of thirty-four technical posts on the Departmental establishment remained unfilled and every effort is being made to recruit additional staff.

Expenditure

Total expenditure during the year amounted to approximately \$16.6 million, of which \$3.5 million was met from Colonial Development and Welfare sources, \$1.1 million from Loan funds and \$200,000 from former Japanese Assets. Personal emoluments amounted to \$840,000, or 5.06% of the Department's total expenditure during the year.

Wharf Reconstruction

The programme of reconstruction of the wharves at the principal ports has proceeded satisfactorily. Work on the new wharf at Sandakan was completed early in the year and good progress was made on that at Jesselton. In November it was decided to extend the length of the new Jesselton wharf from 550 feet to 645 feet. Work on the section of the wharf originally planned was nearly completed at the end of the year and construction of the extension had commenced. The need to keep the wharf open for use by shipping tended to slow down the rate of progress,

but work proceeded satisfactorily with the minimum of inconvenience to shipping. Proposals for the construction of a new wharf at Tawau were under consideration at the end of the year. Repairs were made to the timber wharves at Kudat and Lahad Datu.

Work has been carried out on the construction of a seawall at Tawau and, in connection with this, ramps have been built for the use of small craft engaged in the barter trade.

Sewerage

The team of two engineers made available in 1954 under the World Health Organisation Environmental Sanitation Scheme made good progress with the preparation of detailed plans and specifications for sewage disposal in the principal centres of population and by the end of the year these had very nearly been completed. The towns covered by the scheme are Jesselton, Sandakan, Tawau, Kudat, Labuan, Papar, Beaufort and Tenom. Construction work commenced on a short length of sewer with a temporary outfall to serve new commercial buildings in Sandakan and on a sewer to serve the Batu Tiga area at Jesselton.

The two engineers seconded from the World Health Organisation will leave the Colony on completion of their assignments early in 1957.

Reclamation

Reclamation work in Jesselton has proceeded slowly. The reclamation of a triangular section of approximately seven acres adjacent to the wharf to provide a site for bulk oil storage and godowns was still not completed by the end of the year. Building had commenced, however, on an area of six acres extending from Fraser Street to Dent Street, the reclamation of which had been largely completed in 1955. Each of these works has been undertaken on contract. The reclamation of an extensive area of sea-bed lying between the Chartered Bank's premises, the Treasury and the main commercial area of the town, which had been carried out by a local construction company under agreement, has to all intents and purposes been finished and it is expected that building will commence in 1957. A large compact area of valuable reclaimed land has thus been made available for building in Jesselton, where, because of topographical features, there is little flat land suitable for building in the immediate vicinity of the town.

No reclamation work was undertaken at other towns in the Colony.

Airfields

The work of widening the Labuan airfield, clearing and levelling the side margins, enlarging the parking area and constructing a new taxiway has made good progress and was nearly completed by the end of the year. Further bearing tests have been carried out by the Royal Air Force and a report on these is awaited before a decision can be taken on the surfacing of the runway. When completed the runway will be 6,400 feet in length (including over-runs) and 150 feet in width, with cleared and levelled margins for a total width of 500 feet.

Continuous wet weather during the last three months of 1956 resulted in serious and permanent deterioration of the surface of the low-lying grass airfield at Jesselton, which was closed to main-line (Dakota) aircraft for a total of thirty-two days and to all aircraft for fourteen days. This was in spite of work that had been carried out to improve the drainage. It will be necessary to rebuild the airfield completely before normal traffic can be resumed. This will be a major work and will involve substantial expenditure and the deployment of machinery and personnel needed urgently for other works. The construction of a temporary strip parallel with the existing runway was being considered at the end of the year. This strip, which it is hoped to complete within three or four months, will enable regular traffic to be resumed while work on the new strip is undertaken.

The internal feeder service strip at Lahad Datu, which had been closed to traffic from February, 1955, while the runway surface was improved and the side margins were widened, was reopened to traffic in January. This airfield and those at Sandakan, Keningau, Kudat, Ranau and Tawau operated satisfactorily throughout the year.

No new airfields were constructed.

General

A new workshop building was completed at Jesselton during the year but the work of equipping this and converting the old workshop into a machine-shop had not been finished. A tyre retreading service was commenced and this has resulted in considerable savings. Two additional mobile service and lubrication vehicles have been brought into operation and some progress has been made in the improvement of first-line repair shops in some of the outstations. The main items of heavy plant received during 1956 were two International TD 14A crawler tractors, two Smith-Rodley $\frac{3}{4}$ cubic yard excavators, two BTD 6 Drott skid shovels and one Galion grader.

The work of the Department in respect of drainage and irrigation, buildings, roads, water works and electricity is covered elsewhere in this report.

ELECTRICITY

During 1956 the Public Works Department supplied electricity in Jesselton, Labuan and Tuaran. On 1st June the Department also took over the supply of electricity at Kudat, which had formerly been supplied by private enterprise. Preliminary arrangements were made to take over the supply at Tawau but the privately-owned system continued to operate as a temporary measure pending the construction of a complete new power station and distribution system. At Sandakan, Papar, Beaufort and Tenom electricity is supplied by private enterprise. There are no public electricity undertakings in any other places in the Colony.

An important development during the year was the enactment of legislation to provide for the constitution of a North Borneo Electricity Board, which will come into being on 1st January, 1957. The Board will take over all Government electricity undertakings and will assume responsibility for the licensing of private concerns. The Electricity Advisory Board, which had been constituted in 1955 and had met regularly throughout the year, was dissolved on 31st December.

Another interesting development was a proposal for the installation of minor electrical undertakings in a number of small towns where electrical development during the foreseeable future has not been contemplated. The proposal involves the installation of small automatic generators with limited low tension distribution, which will be able to operate with the minimum of supervision and which will be serviced from a central depot. Licences for five years were issued to the promoter who at the end of the year had placed orders for the supply of plant and materials.

Government Power Stations

The power station at Tanjong Aru, which supplies power to the whole of Jesselton and has a capacity of 1,485 Kw., was completed in 1954. Distribution is by alternating current at 6,600 volts and three-phase 400/230 volts at fifty cycles per second. During the year the number of domestic consumers increased to 1,229 and there were 332 commercial consumers. The total consumption of electricity during 1956 was 1,998,513 units, an increase of fifty-six per cent. over that during 1955. A revised tariff introduced with effect from 1st January had the desired effect of increasing consumption and during the year orders were placed for an additional generating set of 750 Kw. for delivery during 1957 in order to cope with a further increase in demand. An order for another 750 Kw. set for delivery in 1958 has also been placed with an option to cancel should the increase in consumption not appear to be sufficient to justify its purchase.

Under the new tariff there is a flat rate for lighting and fans of thirty-five cents per unit. Commercial power and heating are charged at twenty cents per unit and lighting and power for hotels, clubs, schools, etc. at an all-in rate of \$1.75 per 100 square feet of floor area plus ten cents per unit. There is also an all-in domestic tariff for dwelling houses and the residential portions of shophouses, under which thirty-five cents per unit are charged for the first thirty units and ten cents per unit thereafter. There are separate rates for industrial power and lighting and for shophouses.

The distribution system was extended to the residential area at Likas, four miles from Jesselton, and a further extension to Penampang to supply power to the pumping station for the new Jesselton water supply is planned for 1957. The replacement of timber poles carrying overhead transmission lines by steel pylons fabricated from discarded rails is being continued.

The new power station building at Labuan has now been completed. Work on the construction of staff quarters and the installation of two additional 140 Kw. generators was still in progress at the end of the year. When these generators have been brought into service the installed capacity of the power station will be 600 Kw. There were 390 consumers compared with 304 in 1955 and consumption (441,600 units compared with 134,000 in 1955) increased very considerably. A new tariff was introduced during the year under which lighting and fans are charged at the rate of forty cents per unit and commercial power and heating are charged at twenty cents per unit. There are separate rates for industrial power and lighting, lighting and power combined for hotels, clubs, schools, etc. and for dwelling houses and shophouses, based on the same principles as in Jesselton but at slightly higher rates.

The power station at Tuaran, which has an installed capacity of 77 Kw., commenced to operate on two shifts from February with the result that consumption increased from 26,321 units to 58,182 units and the number of consumers rose to 120. Enquiries are being made concerning a semi-automatic set for the night load so that the station can give a 24-hour supply without additional staff. A tariff on the same basis as that at Jesselton was introduced during the year. Charges were, however, in general somewhat higher than at Labuan.

At Kudat the supply previously operated by private enterprise has now been taken over by Government. The undertaking has hitherto consisted of a single shift supply operating from two small generating stations, one of 50 Kw. and the other of 25 Kw. installed capacity. It is proposed to install a central power station comprising three 50 Kw. sets giving a 24-hour supply to come on load during 1957.

A proposal to install a small semi-automatic station at Keningau with tripping devices to shut down the sets should any dangerous condition arise is to be implemented in 1957.

All capital works during the year were financed from Loan funds.

Commercial Power Stations

The Sandakan Light and Power Co., (1922), Ltd., continued to supply electricity in Sandakan. The Company's power station has an installed capacity of 2,250 Kw., but difficulty was being experienced with a 750 Kw. generating set installed in 1955.

Small private undertakings operate under short-term licence in Papar and Tawau, the latter under the conditions described above. Two new stations, also under short-term licence, commenced operations in Beaufort and Tenom during the year. These small stations have installed capacities of 22.5 and 75 Kw. respectively and operate on a single shift basis between the hours of 6 p.m. and 11 p.m.

WATER

The supply of water in urban areas in the Colony is nowhere yet wholly satisfactory but considerable improvements to supply systems have been effected. Urban expansion and reconstruction (which have increased in tempo during recent years) continue to tax water supplies severely. The Public Works Department is responsible for the water distribution systems in all the larger towns in which there are water supplies.

The water supply at Jesselton is drawn from the Bukit Padang reservoir about three miles from the centre of the town, which is supplemented by water pumped from a nearby stream. The supply is purified before being distributed to consumers. The demand has continued to increase and consumption during the year amounted to 135 million gallons (an average of 370,000 gallons per day) as compared with 126 million gallons in 1955 and 119 gallons in 1954. This greatly increased consumption has placed a very heavy strain on the supply and distribution systems with the consequence that the supply of water at the ends of the main, and particularly at Tanjong Aru and Kepayan, where there has been rapid development during the last few years, was inadequate.

A new scheme designed by Sir Bruce White, Wolfe, Barry and Partners of London, which provides in the first instance for a pumped supply of one million gallons of fully treated water per day from the Moyog river at Penampang, has been adopted by Government and work was commenced before the end of the year.

The Tuaran supply scheme was brought into operation early in the year. This provides for a supply of 100,000 gallons of filtered water per day which can, if required, be increased to 200,000 gallons per day. The average daily consumption during 1956 was 55,000 gallons.

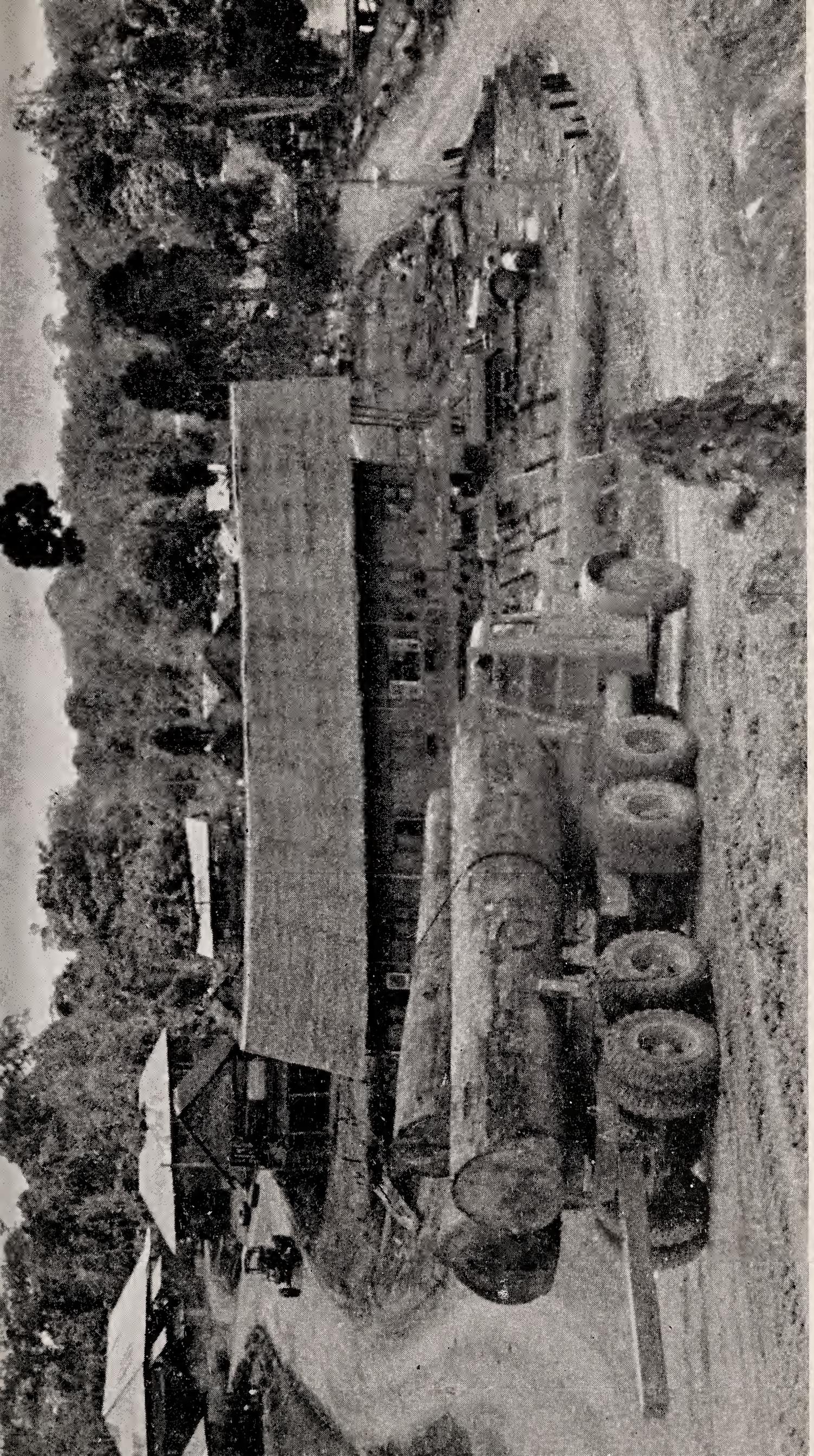
The new water supply at Tawau was also inaugurated during the year. This has a capacity of 250,000 gallons of fully treated water per day and there is already a demand for the extension of the reticulation system. Some "teething" troubles have been experienced, but these are being overcome.

Sandakan continues to be supplied from the stream at Batu Lima. The layout of the pumping station has been redesigned to give more efficient working and the rehabilitation of the pre-war filtration plant is in hand. Two bore holes with a combined capacity of 200,000 gallons per day have been brought into use, with the result that consumption increased by approximately 100% to 195 million gallons. Preliminary investigations for the improvement of the supply to the town and the extension of the reticulation system are now being carried out.

The commissioning of the new bore holes drilled at Labuan in 1955 was held up by delay in the delivery of submersible pumps. By the end of the year all of the pumps had arrived but it had been possible to install only one. Consumption during the year was forty-eight million gallons as compared with forty-six million gallons in 1955.

The construction of new gravity supplies to serve Keningau and Beaufort progressed satisfactorily during the year and these should be in operation early in 1957.

At Kota Belud the sinking of two wells as a further step in the investigation of a supply was commenced, but work was delayed by wet weather at the end of the year.



The Bombay Burmah Trading Corporation's Forest Headquarters at Kalabakan.

(O. C. Finch)



A view of the Railway between Beaufort and Tenom.

(H. K. Lee)



Ferry across the Padas River at Tenom.

(H. K. Lee)



Rubber Fund Board Clonal Stump Nursery at Tenom.

(Rubber Fund Board)

Chapter 11: Communications

HARBOURS AND SHIPPING

A TOTAL of 13,079 vessels, of which 1,950 were ocean-going and 11,129 were coastal vessels, with an aggregate tonnage of 4,999,116, entered and cleared the ports of the Colony during 1956. Although the number of ships was somewhat less than in the previous year the total tonnage recorded increased by nearly half a million tons. Cargo handled during the year totalled 936,393 tons, as compared with 843,601 tons in 1955: an increase of 92,792 tons. A total of 92,863 passengers embarked and disembarked during the year—15,271 more than in the previous year. A table giving detailed figures for individual ports is at Appendix XII.

The new 750 feet wharf at Sandakan, on which work was commenced during 1955, was completed at the beginning of the year. This wharf, which is of similar construction to those at Labuan and Jesselton, has a concrete decking on *belian* (Borneo ironwood) piles. A small jetty for the use of small craft was also finished. The new wharf provides berths for two 3,000-ton and two coastal vessels. In addition there are berths for small coasting vessels, lighters and native craft. Construction of the new wharf at Jesselton, which was begun in August, 1955, has proceeded satisfactorily and by the end of the year a section of 450 feet had been completed and was available for use. The wharf, which will be 650 feet in length, is expected to be completed during 1957. Timber wharves are maintained at Tawau, Semporna, Lahad Datu and Kudat. Proposals for the construction of a new wharf at Tawau, which (including Wallace Bay) is the third most important port in the Colony, were being examined at the end of the year.

In general, very satisfactory progress has been made on the reconstruction of wharves at the principal ports. The first wharf to be re-built after the war (that at Labuan) was completed in July, 1954. Almost half of the cost of the reconstruction of the major wharves is being met by the United States International Co-operation Administration.

Work on the new Customs and Marine building at Labuan was almost completed towards the end of the year. This building, which is of striking and modern construction, stands at the land-

ward end of the new Liberty Wharf. It will be opened formally at the beginning of 1957.

Ports

The principal ports in order of tonnage handled during 1956 are Sandakan, Labuan, Tawau (including Wallace Bay), Lahad Datu (including Kennedy Bay and Bohihan Island) and Jesselton, all of which handle ocean-going vessels and intermediate ships regularly trading to Singapore and Hong Kong. Other ports are Kudat and Semporna, which are concerned almost entirely with coastal shipping.

Sandakan, the oldest port in the Colony, is the main transshipment port on the East Coast and is also the centre of the timber industry although an increasing amount of timber is now being loaded at Lahad Datu and Tawau.

Tawau lies at the entrance to Cowie Harbour in the extreme south-east of the Colony and is in close proximity to Kalimantan (Indonesian Borneo). The volume of shipping and cargo handled in the port has risen very rapidly in recent years. The principal commodities passing through the port are timber, copra and hemp.

Jesselton, the capital of the Colony, is the only port of any size on the West Coast other than Labuan. It is also the terminus of the railway, which serves the coastal plains of the West Coast and the Interior. A very large proportion of the Colony's total production of rubber is exported through Jesselton.

Labuan, which regained its pre-war status as a free port during the year, has an excellent natural harbour with deep water approaches and is the transshipment port for the Brunei Bay area, including the oilfields in Brunei.

Details of the wharves at the main ports are as follows:

<i>Port</i>	<i>Frontage</i>	<i>Capacity</i>
Labuan	1,025 feet	One ocean-going and four coastal vessels.
Sandakan	1,100 „	Two 3,000-ton and two coastal vessels.
Jesselton	under construction	One 3,000-ton and one coastal vessel.
Tawau	235 feet	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 500-ton coastal vessel) (using mooring dolphins).

Shipping Services

The principal shipping lines calling at Colony ports during 1956 were as follows:

The Straits Steamship Co.	—	A regular weekly cargo, passenger and mail service from Singapore calling at Labuan, Jesselton, Kudat, Sandakan, Kennedy Bay, Lahad Datu, Semporna and Tawau.
do.	—	A regular weekly cargo, passenger and mail service from Singapore to Labuan, Brunei and Jesselton.
The Indo-China Steam Navigation Co.	—	Frequent sailings from East Coast ports to Japan and Hong Kong.
The China Siam Line	—	A fortnightly service to Labuan, Jesselton, Sandakan and Tawau from Hong Kong and Bangkok.
The Glen Line	}	United Kingdom and European ports.
The Blue Funnel Line		
The Ben Line		
The Eastern and Australian Steamship Co.	—	Japanese and Australian ports.
The Bank Line	—	South African 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 North Borneo Trading Shipping Co., Ltd.	—	A single vessel service from Singapore or Kuching to North Borneo ports. Labuan and Brunei Bay ports.
Norse Oriental Line	—	Australia via Malayan ports.
Osaka Shoshen Kaisha	—	Japanese ports.

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

Details by national registry of shipping using Colony ports during the year in order of tonnage are as follows:

<i>Flag</i>	<i>Number</i>	<i>Gross tonnage</i>
British	2,751	3,634,732
Norwegian	145	341,902
Japanese	57	239,410
Dutch	78	235,123
American	13	97,043
Swedish	13	52,888
Panamanian	16	36,978
French	22	18,059
Danish	3	13,152
Chinese	5	7,760
German	4	4,424
Miscellaneous (including vessels of North Borneo registry and small Philippine craft) ...	9,972	317,645
TOTAL ...	13,079	4,999,116

A total of forty-one visits to Colony ports was made by ships of the Royal Navy and foreign men-of-war.

Coastal Shipping and Lighterage

The Straits Steamship Company maintained a fleet of three 200/300-ton coastal vessels, two powered lighters and three dumb lighters with two tugs as a feeder service for their main line vessels calling at Labuan. The Company also operated a 500-ton cargo vessel calling at Sandakan, Lahad Datu, Kunak, Semporna and Tawau, and one 500-ton vessel for service between Labuan and East Coast ports with packed petroleum. The British Malayan Petroleum Company operated their own L.C.T.-type coasting vessels between Labuan, Brunei and Sarawak for the transportation of general cargo for the oilfields. A total of twenty lighters and nine towing units with a gross tonnage of 6,804 tons was operated by the Hong Kong Transportation Company for carrying stone in the Brunei Bay area and general cargo between Labuan and Kuala Belait in Brunei. Messrs. Liddel Bros. operated two 250-ton coasting vessels which were engaged on transporting timber and stone between Brunei, Labuan and Jesselton. Messrs. Lo Bros. and Reynell Transportation Company operated one 200-ton coasting vessel loading general cargo for the oilfields between Labuan and Kuala Belait. On the East Coast, timber operators used altogether 125 barges, lighters, launches and towing units totalling 8,253 gross tons.

Navigational Aids

A new light was established at Bagahak Point, Darvel Bay. This light is an important aid to navigation for vessels using Kennedy Bay and Lahad Datu. At Berhala lighthouse, Sandakan, fuel tanks were installed and 3,000 feet of piping laid together with a motor pump so that the light can now be refuelled mechanically. This obviates the carriage of approximately 1,000 gallons of diesolene up the 600 feet hill each year. Prior to the installation of the pumping unit and tanks the light was refuelled by hand.

Her Majesty's Survey Ship *Dampier* returned to the Colony in April and resumed her hydrographic surveys at the north end of the Malawali Channel. Detached parties surveyed Tawau (Wallace Bay) and Kunak (Darvel Bay). H.M.S. *Dampier* returned to Singapore in July.

The routine servicing and maintenance of all lights and navigational aids were carried out by the Marine Department. The lighthouse and buoy maintenance vessel and launch steamed 11,320 miles in the execution of this work during the year.

Marine Department

The Marine Department is responsible for the operation and maintenance of Government wharves, the provision of navigational aids, the survey and registration of boats and shipping, the licensing of marine personnel, and the operation of Government marine craft. The Department is under the direction of a Marine Superintendent, who is assisted by an Assistant Marine Superintendent and a Marine Engineer. Departmental headquarters, slipway and workshops are at Labuan.

Government Vessels, Launches and Riverine Craft

Government operated sixty craft, of which forty-five were small riverine launches, three harbour and twelve sea-going units for use by the Administration, Forestry, Marine and Police Departments. The six launches allocated to the Administration steamed 43,156 miles during the year.

Registration of Ships, Boats and Fisheries

Comparative figures showing the number of ships registered at the end of 1955 and 1956 are as follows:

	1955		1956	
	<i>Vessels</i>	<i>Gross Tonnage</i>	<i>Vessels</i>	<i>Gross Tonnage</i>
Colony registry of British Ships (Merchant Shipping Act, 1894)	24	7,447	32	10,216
North Borneo local registry (vessels over ten tons) ...	159	10,719	165	10,474

In addition, 10,762 small local craft, of which 5,774 were fishing boats, were registered and licensed under the Boats and Fisheries Ordinance (Cap. 16). The corresponding figures in 1955 were 10,225 craft, of which 5,396 were fishing boats. 2,488 fishery licences were issued during the year under the Boats and Fisheries Ordinance.

Merchant Shipping — Engagement of Crews and Certificates of Competency

A total of 1,599 ships' officers and men were engaged or discharged under articles of agreement before the Superintendents of Shipping at Labuan and Sandakan (1,285 at Labuan and 314 at Sandakan).

Twenty-seven certificates of competency for local trade masters, mates and helmsmen and twenty-eight certificates of competency for engine-drivers (all grades) were issued.

Survey of Ships and Passenger Licences (The Shipping Ordinance, Cap. 135)

One hundred and seventy-five survey certificates for marine service and registration and 168 passenger licences were issued during the year.

Land Machinery Inspection and Certificates (Machinery Ordinance, Cap. 75)

One hundred and eighteen certificates of machinery fitness were issued.

Ship Repair Facilities

The Government slipway and workshops at Labuan slipped and repaired some eighty-six vessels totalling 3,378 gross tons. These included launches and vessels owned by the Governments of North Borneo and Sarawak and a number of craft belonging to commercial shipping concerns in Labuan and the West Coast. In addition, approximately 393 repair jobs were carried out on commercial vessels and equipment afloat at the workshop repair jetty. 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.

RAILWAYS

The Government-owned metre-gauge railway, which has its headquarters at Jesselton, is 116 miles in length and serves much of the West Coast and part of the Interior. Commencing at Jesselton, the railway runs across a stretch of comparatively flat country through the districts of Putatan, Kinarut, Papar, Kimanis and Membakut before reaching Beaufort, fifty-six miles away. This part of the country is well populated with natives and Chinese and contains most of the rubber estates in the Colony. From Beaufort the railway runs through hilly country and climbs approximately 700 feet through the picturesque Padas gorge to Tenom, which is thirty miles from Beaufort and is the centre of an important agricultural district containing some of the best agricultural land in the Colony. From Tenom to the rail head at Melalap is a distance of ten miles. From Tenom and Melalap an earth road connects with Keningau and, ultimately, with Tambunan.

A branch line of twenty miles runs from Beaufort down to the coast at Weston, a small port in Brunei Bay, which is connected by launch with Labuan. A number of rubber estates and small-holdings are served by this branch.

Construction of the railway was commenced at Weston (which was named after the supervising engineer) in 1896 and the Beaufort-Weston section was completed and opened to traffic four years later. The line was then extended from Beaufort to Jesselton and Tenom, the whole line being finished in 1905. The railway was very badly damaged by Allied bombing in 1944 and 1945 and also suffered severely from lack of maintenance and renewal during the whole period of the Japanese occupation. Consequently a major programme of reconstruction, necessitating very considerable expenditure, was required before the railway could be rehabilitated. The benefits of this reconstruction are now gradually becoming apparent.

During 1956 further progress was made with the programme of reconstruction and development drawn up in 1953, in spite of handicaps imposed by a shortage of rolling stock, motive power and labour.

Revenue during 1956 was the highest ever recorded; however, continually rising costs of labour, fuel and materials do not permit too sanguine an outlook to be taken for the future. Recurrent expenditure during the year amounted to \$1,653,007, which included \$152,227 for renewals and \$85,200 for revision of salaries in accordance with the recommendations of the Salaries Commission.

Revenue for 1956 compared with 1955 was as follows:

	1955	1956
Passengers ...	\$ 503,252	\$ 651,070
Goods ...	716,289	774,723
Parcels ...	29,780	34,172
Mail ...	3,720	3,720
Livestock ...	13,840	11,809
Miscellaneous ...	53,096	117,359
	<hr/>	<hr/>
	\$1,319,977	\$1,592,853
	<hr/>	<hr/>

Civil Engineering Department

Much improvement has been made to the standard of the permanent way between Jesselton and Beaufort. Ten miles of track were overhauled and the formation standardised over a length of twelve miles during 1956. Since reconstruction commenced almost forty miles of the line have been reballasted with either stone or sand and work is continuing at a steady rate despite a shortage of experienced labour and supervisory staff. Relaying and regrading of the Beaufort-Tenom section, which was commenced under contract during 1955, has progressed very slowly and only six miles were completed during the year. Considerable time was lost on this project because of abnormal weather conditions experienced from July onwards, heavy rains making working conditions difficult and causing a number of slips and washouts in the relaying areas.

No major bridge work was done in 1956, but ten minor bridges were re-girded to carry 12-ton axle loading and three 100-ft. bridges were re-timbered. A number of new culverts were constructed between Jesselton and Tenom.

Satisfactory progress has been made in the construction of new works buildings and quarters and the reconditioning of the Tanjong Aru workshops. Two staff houses at Weston, five new quarters at Beaufort, a large goods shed at Melalap, a new pumping station at Papar and extensions of the erecting shop and forge at the Tanjong Aru workshops were completed.

Mechanical Engineering Department

The shortage of locomotives has been relieved considerably by the receipt of three new powerful engines built in the United Kingdom, which were dismantled before shipment and were subsequently re-erected in the workshops at Tanjong Aru. These locomotives are designed to burn either oil or wood fuel. Only one is so far fitted with oil-burning apparatus; prolonged trials in actual service will be carried out before it is decided whether the others should be converted. The new locomotives were placed in service in September, 1956.

Goods rolling stock was increased by the purchase of twenty-one covered goods waggon underframes and bogies from the Malayan Railways, and these are being fitted with locally-constructed steel bodies in the railway workshops. One 20-ton bogie well-waggon was received from the United Kingdom and placed in service during the year.

Additional rolling stock for which orders were placed in 1954-1955 and which was due for delivery in 1956 has not been received. These orders include a number of 17-ton steel covered goods waggons, petrol tank waggons and a multiple unit diesel train set.

One 4-6-4 tank engine, two petrol engine locomotives, one passenger coach, two steel high-sided waggons, two 7-ton steel covered goods waggons and one diesel oil tank waggon were reconstructed during the year.

Power and Rolling Stock

The power and rolling stock position at the end of 1956 was as follows:

	<i>In service</i>	<i>Under repair</i>	<i>Re- building</i>	<i>Awaiting rebuilding</i>	<i>Total</i>
Steam locomotives ...	10	2	—	—	12
Diesel locomotives ...	3	—	—	—	3
Petrol locomotives ...	4	—	—	—	4
Railcars (6 seats) ...	4	—	—	—	4
Railmotor sets (52 seats) ...	2	—	—	—	2
Rail jeeps ...	8	1	—	—	9
Coaching stock ...	24	2	—	—	26
Waggon stock ...	119	15	7	34	175

Traffic

The following table shows the traffic carried in 1956 compared with the two preceding years:

	<i>Passenger journeys</i>	<i>Passenger miles</i>	<i>Goods tons</i>	<i>Goods tons miles</i>
1956 ...	593,593	9,081,973	44,976	2,100,380
1955 ...	494,333	6,920,662	41,031	1,887,426
1954 ...	437,879	6,130,302	33,651	1,578,232

Approximately three-fifths of the freight carried consisted of local products, such as rubber, timber and agricultural produce.

Staff

At the end of 1956 the total number of employees was 635 of which five were overseas officers, twenty-one senior executive and supervisory staff, eighty-one clerks and operating staff and 528 other grades, twenty-three of the latter being employed on contract from overseas.

ROADS

The small mileage of roads in the Colony continues, notwithstanding the very great advances made since the war in air communications, to impede the progress of development. A very large area of the Colony remains under forest and is inaccessible except by jungle paths and rivers. On the West Coast and in the Interior there is a well-developed and extensive system of bridle-paths and most of the larger towns possess small networks of feeder roads; but on the East Coast there are few bridle-paths, communications being largely by sea, river and air. The Colony's economy is primarily agricultural and future economic progress must depend to a large extent on the optimum development of the land, which is the Colony's principal asset. This is recognised by the Government and substantial funds have been made available for the construction and extension of main roads with bituminous surfaces and the construction of earth feeder roads for use by jeep and Land Rover traffic. Progress has, however, been limited, both by local shortages of road metal and by the lack of road construction staff. By the end of 1956 only the Senior Road Engineer and part of the staff of one of the four proposed road teams had been appointed. The development of the Colony's land potential is, of course, also limited by the lack of population; but demands for land for the planting of padi, rubber and other cash crops are nevertheless such that road construction will not, in the foreseeable future, be able to keep pace.

The total mileage of roads in the Colony at the end of 1955 and 1956 was as follows:

	1955	1956
	<i>miles</i>	<i>miles</i>
Metalled roads with bituminised surfaces	209	225
Other metalled roads	94	118
Earth roads	345	359
	<hr/>	<hr/>
	648	702
	<hr/>	<hr/>

Main Roads

In the Jesselton area the reconstruction of the Jesselton/Tuaran/Kota Belud road continued throughout the year. Good progress was achieved: seven miles of the Jesselton/Tuaran

section were reconstructed and the metalling of the Jesselton/Kota Belud section was completed, though a number of small bridges still require reconstruction. A fully-metalled road now connects Jesselton with Kota Belud. At Papar the earth-works for the Bukit Manggis Road were completed as far as the Kimanis river; metalling, however, was not finished. This work included the construction of a seventy-foot bridge over the Benoni river and work on a 160-foot bridge over the Kimanis river was commenced. Earthworks were also completed and three miles of sealed surface were laid on the Limbahau Road. At Kudat the metalled surfaces of the Loro and Sequati Roads were extended. In Sandakan the Leila Road was extended to Karamunting and the construction of the Sungei Manila Road, five miles in length, of which one mile has been metalled, was nearing completion. Good progress was made at Tawau on the extension of the Apas Road towards Quoin Hill where there are known areas of fertile volcanic soil. This work was carried out by the Administration. Work was commenced on the construction of the Kuhara Bridge.

Town Roads

In addition to work on country roads a very considerable proportion of the road-making potential was employed in the construction of town roads, following up on progress in the rebuilding of the towns. In Jesselton a section of 400 feet of South Road, the main road leading into the town, was rebuilt and Gaya Street in the centre of the town was partially reconstructed. In Sandakan a survey for the reconstruction of Leila Road, a major road carrying heavy traffic, was completed and reconstruction work was also carried out on other town roads. Roadworks were also carried out in Tawau, Labuan, Kudat, Beaufort and Keningau.

Jeep Tracks

Consistently satisfactory progress has been made with a programme commenced during 1954 under which existing 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. The purpose of this programme is to open up new land for agricultural development and to provide access to places which have in the past been accessible only by foot or boat. A number of tracks in several districts have been opened to regular jeep transport services. These tracks are not metalled and cannot therefore be considered to be "all weather" roads; it is necessary in most cases to close them during wet weather but generally they dry out fairly rapidly and most tracks are passable to vehicles for the greater part of the year. There are several short tracks of five to ten miles in length in the Jesselton and Kota

Belud districts and in the Tuaran district a road (jocularly known as the "Wall of Death" on account of its hazardous nature) winds up the foothills of the Crocker Range from Tamparuli for a distance of nineteen miles in the direction of Mount Kinabalu. This path is being extended and will ultimately connect with Ranau. An earth road now connects Tenom with Melalap, Keningau and Tambunan. A large number of Land Rovers operate for hire along this route. The tracks are being constructed under the supervision of District Officers and are being paid for from Colonial Development and Welfare as well as Colony funds. The total mileage of earth roads has increased from 213 at the beginning of 1954 to 359 at the end of 1956.

ROAD TRANSPORT

The control and direction of public transport in the Colony is vested in the Commissioner of Police, who is also Commissioner of Road Transport. In 1953 a new Road Traffic Ordinance (Cap. 128) was enacted to replace the 1926 legislation, which was no longer considered adequate. One of the main purposes of the Ordinance was to make possible a reorganisation of the public transport services. The Commissioner of Road Transport is empowered to regulate and control the use of public service and goods service vehicles in any area declared by the Governor in Council to be a regulated area. The two urban centres of Jesselton and Sandakan have been declared regulated areas. In these areas individual owners of buses, taxis and hire cars have been encouraged to form themselves into transport companies, to which monopoly licences have been granted over the main routes.

The improvement in public transport services recorded in previous years has been maintained. Many local companies and individual operators have purchased modern, comfortable vehicles and as a result a number of old and dilapidated vehicles have been taken off the road.

During 1956 a great deal of building construction and road-making was carried out in urban areas, thus necessitating many traffic diversions and alterations to normal routes. It was not possible, therefore, to establish and sign-post properly all the principal routes in those places. The work is proceeding rapidly and it should not be long before proper traffic control is re-established.

Transport on the earth roads which are being constructed to open up rural areas has continued to increase rapidly. The vehicles concerned are chiefly of the general utility category and provide a great saving in time and labour for the people in the areas through which the roads run.

Comparative figures of the numbers of vehicles, bicycles and drivers licensed are as follows:

	1953	1954	1955	1956
Motor Vehicles ...	2,677	3,134	3,532	4,380
Bicycles ...	19,674	22,476	22,763	28,140
Drivers ...	4,479	5,255	5,330	7,126

AIR COMMUNICATIONS

Air Services

Because of its geographical situation, the Colony is heavily dependent on air services for contact and communication with its neighbours, Brunei and Sarawak, and with Singapore, Hong Kong and Manila. Of equal importance are the internal air services which serve to link up centres in the Colony and without which communications would be slow or non-existent.

The scheduled air services in operation at the end of the year are described on page 128.

The main line service connecting Sandakan, Jesselton and Labuan with Singapore is operated by Malayan Airways Ltd. using Dakota (D.C. 3) aircraft under an agreement which is due to expire on the 30th April, 1957. The internal air services, which have been extended to serve Brunei and Sarawak, are also operated by Malayan Airways Ltd. using Rapide aircraft under arrangements which expire on the same date. Negotiations are in progress for the operation of the services after the 1st May, 1957 on a basis which will ensure their development to serve the interests of the Colony.

With the exception of Labuan, all the airstrips in the Colony are grass-or gravel-surfaced. Experience at Jesselton airfield has shown that a grass surface will not serve as an all-weather strip during sustained periods of rain. The main line service to the Colony's capital was seriously dislocated towards the end of the year, when the airfield had to be closed to Dakota (D. C. 3) traffic. The deterioration of the field is grave and permanent, and cannot be rectified without major reconstruction. At the end of the year plans were being completed for the construction of a temporary strip which, it is hoped, will carry Dakota traffic until more permanent arrangements can be made.

Much work was done in 1956 in bringing the international airport at Labuan up to I.C.A.O. Class C. 4 standards. It is from Labuan that the Colony gains access by air to Hong Kong and Manila by Cathay Pacific Airways, to Hong Kong and Australia

by Qantas Empire Airways, and to Djakarta and Manila by Garuda Indonesian Airways. The development of Labuan airport assumes a high place in the Colony's development plans for civil aviation.

Aviation Administration

The Department of Civil Aviation and Meteorological Services is responsible for the control and management of all Colony airfields and meteorological stations in the Colony and for the regulation of flying. The Department, which is a unit of the Joint Civil Aviation Department for the three British Borneo Territories, is under the control of a Director of Civil Aviation and has its headquarters at Jesselton.

The training of air traffic control personnel is normally carried out at the Singapore Air Traffic Control School, but during 1956 the Jesselton airport manager attended an advanced civil aviation course with the Australian Department of Civil Aviation under the auspices of the Colombo Plan.

Meteorological Services

Meteorological observation stations are situated at the Labuan, Jesselton and Sandakan airfields. Each station provides regular observations in accordance with World Meteorological Organisation specifications from 0500 hours to 2000 hours local time daily. Pilot balloon observations for upper air wind calculations are at present undertaken at Labuan and Sandakan only.

All observations taken by the three stations are transmitted to Singapore for use in the Singapore Forecast Office. Full meteorological statistics from these stations and 60 rainfall recording stations scattered throughout the Colony are held in the office of the Department of Civil Aviation in Jesselton. Regular monthly climatological extracts are published in the *Government Gazette*.

As a result of the continued use of Labuan as an international airport and the increase in aviation activity it has become necessary to consider the creation of a Meteorological Forecast Office at Labuan to relieve the Singapore Forecast Service of responsibility for the preparation of forecasts for the Borneo area and to provide direct forecast interpretations and briefings for aircrews. This project has been discussed with the United Kingdom Meteorological Office and it is hoped that a limited service will be made available during the latter part of 1957.

Meteorological Statistics

Details of the climatological summaries for the meteorological observation stations are on pages 149 to 151.

Airports and Aerodromes

Labuan: International airport at present under reconstruction to I.C.A.O. Class C.4 standard. The airport previously had a coral runway capable of accommodating aircraft up to Douglas D.C.4 (Skymaster) standard. This runway has been widened and is now being bitumen coated. These improvements have already permitted limited use by Douglas D.C.6 and Lockheed L1049H (Super Constellation) aircraft.

Jesselton and Sandakan: Secondary aerodromes. Grass runways capable of accommodating aircraft up to Douglas D.C.3 (Dakota) standard. Reference to the serious deterioration of the Jesselton airfield and to the measures that are being taken to construct a temporary strip has been made earlier in this Chapter.

Ranau, Keningau, Kudat, Lahad Datu and Tawau: Minor aerodromes. Grass runways capable of accommodating aircraft up to de Havilland DH. 89 (Rapide) and Percival Prince standards.

Aeradio Communications

All aerodromes are provided with VHF/RT ground-to-air communications equipment, and those at Labuan, Jesselton and Sandakan have one or more HF/RT ground-to-air units.

In order to handle the very heavy point-to-point aeronautical message traffic a WT/HF system is operated between Sandakan, Jesselton and Labuan. In addition all airfields other than those at Kudat and Lahad Datu are connected by an HF/RT system. The airfields at Kudat and Lahad Datu will receive their equipment shortly and will then join the network. The aerodromes at Labuan, Jesselton and Sandakan are provided with MF beacons for navigational purposes and Labuan has in addition VHF direction finding equipment.

External communications are generally channelled through the Labuan airport, which has WT/HF connections with Kuching and Singapore. It is intended shortly to replace the circuit to Singapore with radio teletype equipment.

Air Traffic Statistics

A table will be found at Appendix XIII giving details of movements of traffic at the Colony aerodromes.

Scheduled Air Services

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	Douglas	Australia—Labuan—	Once weekly
Empire Airways	D.C. 4	Hongkong—Manila— Australia	
Cathay Pacific Airways	Douglas D.C. 4	Hongkong—Manila— Labuan—Manila—	Once weekly
Garuda Indonesian Airways	Douglas D.C. 3	Hongkong	
Garuda Indonesian Airways	Convair 340/240.	Djakarta—Labuan— Manila—Djakarta	Once weekly
Malayan Airways	Douglas D.C. 3 (1st class and Tourist)	Singapore—Kuching— Sibu—Labuan— Jesselton—Sandakan	Three times weekly in each direction
	Douglas D.C. 3 (1st class and Tourist)	Singapore—Kuching— Sibu—Brunei— Jesselton—Sandakan	Twice weekly in each direction
	Douglas D.C. 3 (1st class)	Singapore—Kuching— Sibu—Labuan Jesselton	Twice weekly in each direction

INTERNAL AIR SERVICE

(Operated by Malayan Airways Limited, with de Havilland Rapide aircraft)

<i>Route</i>	<i>Frequency</i>
Labuan—Keningau— Jesselton ...	Twice weekly in each direction.
Jesselton—Ranau ...	Seven times weekly in each direction.
Jesselton—Kudat— Sandakan ...	Twice weekly in each direction.
Sandakan—Lahad Datu— Tawau ...	Four times weekly in each direction.
Jesselton—Labuan ...	Daily in each direction.
Labuan—Brunei Airfields	Six times weekly in each direction.
Labuan—Brunei Airfields— Sarawak Airfields ...	Three times weekly in each direction.

P O S T S

The Department of Posts and Telegraphs is responsible for the handling of mails.

During 1956 the upward trend in postal business experienced in previous years continued. There were substantial increases in sales of stamps, the volume of surface and air mails handled, and the value of money order and postal order business transacted. Revenue from the sale of stamps increased by \$113,103 over the total for 1955 to \$631,121.

Stamps of the 2-cent and 50-cent denominations bearing the Royal portrait of Queen Elizabeth II were issued during the year, thus completing the issue, with the exception of stamps of the 3-cent, \$5 and \$10 denominations, which still bear the portrait of the late King George VI. A special set of four stamps of the values of 10 cents, 15 cents, 35 cents and \$1 was issued on 1st November in commemoration of the 75th anniversary of the granting of the Royal Charter to the British North Borneo (Chartered) Company. These stamps, which are engraved reproductions, are based on old designs used by the Chartered Company.

Regular air mail services were maintained throughout 1956, except towards the end of the year when prolonged wet weather rendered the Jesselton airport unfit for use on a number of occasions. However, by the use of launches and the railway services serious delays in the delivery and despatch of air mails at Jesselton was avoided. The feeder air service connecting the principal centres of population was again used extensively for the carriage of mails. There were air mails daily from Singapore to Jesselton and vice versa and on five days a week from Singapore to Sandakan and vice versa. There was a twice weekly direct air mail service from Labuan to Hong Kong. Overseas surface mails from Singapore were carried once weekly in ships of the Straits Steamship Co., and a fairly regular schedule was maintained between Hong Kong and North Borneo by several shipping lines.

A new post office was completed at Tuaran during the year and work on a new office at Tawau was commenced.

The following statistics illustrate the increase of postal business transacted by the Department during the course of the year:—

	1955	1956
	\$	\$
Posted articles (nos.) ...	1,819,532	2,455,180
Delivered articles (nos.) ...	1,361,555	1,711,120
Transit articles (nos.) ...	124,254	164,749
Cash on delivery parcels (value) ...	686,873	749,988

	1955	1956
	\$	\$
Money orders issued (value) ...	440,857	581,594
Money orders paid (value) ...	145,458	175,408
British postal orders issued (value) ...	39,935	47,980
Sale of postage stamps (value) ...	518,018	631,121
Customs duties on parcels (value) ...	177,532	252,566

TELECOMMUNICATIONS

General

It has been found possible to establish a VHF repeater station at Kamarangan on Mount Kinabalu. The station is at a height of 7,040 feet on the southern slopes of the mountain and commands a very large section of the Colony. A rest house has been built by Posts and Telegraphs Department staff and a transmitting station and engine rooms are being erected. All materials for the station have to be carried up by hand. With this site established it has been possible to consider all the basic requirements for telecommunication services in the Colony. A comprehensive scheme to provide telephone communication in and between all the principal centres in the Colony has been prepared.

All telecommunication services have proved to be popular. The Department has not, however, found it possible to meet the demand, largely because of the unexpectedly long delay in receiving equipment from the United Kingdom. In addition to manual exchanges 1,295 automatic telegraph exchange lines were in use during the year and equipment to add a further 1,225 lines was ordered. The greater part of this equipment was expected during the year but none of it was in fact delivered. There is no doubt that the Colony as a whole is telephone-minded and it is hoped, if possible, to extend automatic telephone communications into even the smallest centres of population.

Revenue from telephone charges rose during the year by \$76,868.

HF transmitters and receivers were installed at the headquarters of the Public Works Department in Jesselton and in two vehicles to enable contact to be kept with construction parties and supplies to be delivered to them with the minimum delay. The selective ringing telephone circuits for use by the North Borneo Railways were maintained through the year and some much needed replacement of wooden poles was carried out. Five miles of new line were erected in the Tenom gorge section where the railway is being reconstructed.

Telegraphs

The Posts and Telegraphs Department operates all telegraph circuits inside North Borneo and circuits connecting North Borneo with Brunei and Sarawak. During 1956 wireless telegraph circuits were maintained between the main offices at Jesselton, Sandakan and Labuan to connect with Kudat, Keningau, Ranau, Beaufort, Tenom, Semporna, Lahad Datu, Lamag and Tawau; and with Kuching, Miri and Limbang in Sarawak, and Seria and Brunei Town in Brunei. With the exception of air service and meteorological traffic, which was passed over the Department's circuits, overseas traffic was handled by Messrs. Cable and Wireless, Ltd., from their Jesselton station. A ship-to-shore wireless service from Labuan, Jesselton and Sandakan was provided at scheduled times.

Radio Telephones

The VHF radio telephone circuits between Labuan and Jesselton and Labuan and Brunei Town continued to be popular. The circuit between Labuan and Jesselton, which formerly had a repeater at Papar, is now repeated through the station at Kamarangan on Mount Kinabalu to give improved results. VHF subscriber equipment has been installed at Kamarangan and connected to the Jesselton automatic exchange to enable the staff there to be in immediate touch with Jesselton. This link has been most successful in spite of the difficult conditions under which it has been required to perform.

It is also proposed to establish a VHF circuit between Jesselton and Sandakan. An excellent site is available in Sandakan for the terminal there and work has been started on its development. Equipment was expected before the end of the year to provide VHF communication from Sandakan to Lamag, Lahad Datu and Beluran, but this has not so far arrived. Preliminary work has been done on a site between Kamarangan and Tawau for the extension of the VHF circuit in that direction.

Messrs. Cable and Wireless, Ltd., continued to operate HF telephone services to Singapore and Hong Kong and, through those places, to Australia and Europe. These overseas services are extended to subscribers on the automatic circuit at Labuan as well as at Jesselton.

Telephones

At the end of 1956 a total of 1,683 telephones was installed throughout the Colony. This figure compares very favourably with the total of 639 installed at the end of 1951.

There has been a continued demand for new telephones which it has not been possible to meet in most cases. A large amount of equipment is on order from the United Kingdom but deliveries have been slow.

An extension was made to the manual board at Jesselton during the year and trunk traffic has increased considerably. At Labuan a new overhead cable has been erected to replace open overhead wire. In Jesselton a considerable proportion of the heavy overhead copper routes has been recovered and replaced by P.V.C. overhead cable and buried cable. This has resulted in a substantial reduction in faults; it will also enable immediate use to be made of the exchange extension equipment which is expected soon.

An electric clock system, extended through the cable network, has been installed in Jesselton. This is particularly useful for broadcasting purposes.

Broadcasting

The Posts and Telegraphs Department was responsible throughout the year for the technical operation of Radio Sabah, details of which are given on page 134.

A new medium wave transmitter was installed to serve the Jesselton area and to cover the nearer places where "skip" from the normal HF transmission made high quality reception difficult. A lunch-time service was reintroduced and the evening programme extended until 8.30 p.m., an increase of fourteen hours per week. With the arrival of a full-time engineer made available under the Colombo Plan it was possible to achieve a considerable improvement in the quality of transmissions.

A transmitter was completely rebuilt by the Department to make it available as a satisfactory stand by for the normal service. The frequency of the short wave transmitter was changed from 7,240 Kc. to 7,180 Kc. to avoid interference from an adjacent station.

Aeronautical Services

A 2.5 Kw. radio beacon for the use of aircraft was installed during the year at Sandakan. The HF radio telephone network was completed by the installation of equipment at the airfields at Ranau and Tawau. This service and the air-to-ground radio telephone service installed previously were maintained at all aerodromes. Civil aviation and meteorological telegraph traffic both between the three British Borneo territories and external destinations was handled by the Department's operators.

Chapter 12: Government Information Services

Broadcasting, Press and Films

THE services for which the Department of Broadcasting and Information is responsible fall administratively into four closely integrated sections: the Broadcasting Service, the Press Section, the Public Reading Room and Library Services and the Film Section.

Ever-increasing public interest in and use of the facilities offered by the Department have demanded as rapid development as resources will permit in each of these sections.

The increase in staff of the Broadcasting Service reflects the emphasis which has been put on broadcasting as the most influential medium for Information work. The programme staff during the year consisted of five Programme Assistants, covering four languages, and a Studio Manager, who has been seconded from the New Zealand Broadcasting Service under the Colombo Plan for the training of local staff. In the Press Section the Information Officer was assisted by an Assistant Press Officer and two translators, one in Chinese and one in Malay. In view of the increased volume of press and publicity material it was decided to engage a Press Officer with journalistic experience and an officer was appointed to fill this post at the end of the year. Part-time library assistants have been in charge of the libraries at Jesselton and Sandakan, and, more recently, at Tawau and Labuan, with a central librarian co-ordinating library activities throughout the Colony. The mobile cinema unit has been maintained by part-time operators. Two General Clerical Service clerks and one Publications clerk have assisted the administration of all these services.

In implementation of a decision of the Inter-territorial Conference of the three British Borneo Territories in 1955, the Information Officers of Sarawak, Brunei and North Borneo held a Conference in Kuching in April at which the Information Officer attached to the British Embassy in Djakarta was also present.

The Information Officer was present at a Conference of Information Officers held at the Colonial Office in London in June, which was attended by Heads of Information Services or their Deputies from most overseas territories and organisations, and also at a Regional Information Officers' Conference held in Singapore in November.

Broadcasting

Public response since the initiation of the evening service in November, 1955 has been most marked, and has emphasised the value of broadcasting in welding together a territory of scattered communities linked by inadequate communications.

Radio Sabah has continued to operate on a 5 Kw. short-wave transmitter which provides a strong signal in most areas, and this was augmented in November by a $\frac{1}{4}$ Kw. medium-wave transmitter covering an area within a radius of approximately ten miles of Jesselton.

Programmes in English, Malay, Chinese and occasionally Dusun were broadcast for two and a half hours daily and four and a quarter hours on Saturdays during the first six months of the year. On Colony Day (15th July) the lunch-time transmission, which had been suspended since the inauguration of the evening service owing to shortage of staff, was re-introduced with a programme of music lasting for one and a half hours. Dusun programmes, broadcast at first only occasionally, were received with unexpected enthusiasm in the villages, and Radio Sabah was anxious to meet the demand for more frequent transmissions in that language. There were, however, difficulties to overcome since no commercial discs or other recordings are available in this language and it was necessary to build up the nucleus of a library of Dusun music as a preliminary to extended transmissions. This is steadily being achieved and a short regular Dusun programme was announced on the anniversary of the inauguration of the evening service in November. The time allocated to Dusun programmes is still inadequate and will be extended early in 1957. In November, also, a fifteen-minute educational programme was introduced on five days of the week. This programme includes talks on geography, history, literature and science and is suitable for adult listeners and pupils in the upper forms of Secondary Schools.

B.B.C. news bulletins were relayed daily and B.B.C. transcription recordings continued to be used extensively. These transcriptions were generously lent by the Far Eastern Broadcasting Service of the B.B.C. during the early months of the year, but, under a new arrangement, Radio Sabah began to build up its own transcription library by direct purchase from the B.B.C. assisted by Colonial Development and Welfare funds. The Canadian Broadcasting Corporation and Radio Netherlands both kindly donated sets of transcription records in response to requests made early in the year. Nevertheless, emphasis has continued to be put on live programmes originating in the studios, using local talent and stimulating local interest as far as financial limits allow. Local news bulletins, now in four languages, have continued to be a main feature of the service.

The character of the programmes may be judged from the following figures, being weekly percentages of total broadcast time in each language:

	<i>Chinese</i>	<i>Malay</i>	<i>Dusun</i>	<i>English</i>
News	13.1	10.0	12.5	12.5
Talks	2.6	3.1	25.0	6.0
Features (including Plays) ...	3.9	4.0	—	17.2
Music (Local Artists) ...	2.6	11.1	62.5	2.0
Music (transcriptions and commercial discs) ...	75.2	71.8	—	52.3
Educational Broadcasts ...	2.6	—	—	10.0
	<hr/>	<hr/>	<hr/>	<hr/>
	100	100	100	100
	<hr/>	<hr/>	<hr/>	<hr/>

An analysis of the programme sources is as follows:

	<i>Chinese</i>	<i>Malay</i>	<i>Dusun</i>	<i>English</i>
B.B.C. Transcription Service Programmes	2.6	—	—	26.0
Canadian Broadcasting Corporation Transcriptions ...	—	—	—	2.0
Radio Netherlands Transcriptions ...	—	—	—	2.0
Radio Australia Transcriptions ...	—	—	—	1.3
Commercial Gramophone Records	75.2	71.8	—	44.3
Live Broadcasts	9.1	18.2	87.5	11.9
Local News	13.1	10.0	12.5	3.5
B.B.C. News	—	—	—	9.0
	<hr/>	<hr/>	<hr/>	<hr/>
	100	100	100	100
	<hr/>	<hr/>	<hr/>	<hr/>

Weekly average broadcasting hours of each language in December, 1956, on which the above figures are based $9\frac{1}{2}$ hrs., $8\frac{1}{4}$ hrs., 2 hrs., $12\frac{2}{3}$ hrs.

Public response to the new service of Radio Sabah has continued and increased, and is particularly notable from Dusun areas. During the year a total of approximately 38,000 letters (mostly asking for records to be played in request programmes) was received from listeners.

The number of licence holders increased from 3,921 in 1954 to 5,505 in 1955 and to 7,456 by the end of 1956, and battery-operated sets have become popular in many of the remoter villages.

Up to the end of 1956 the responsibility for operating the service in so far as programmes and programme staff were con-

cerned remained that of the Information Officer, whilst the installation and maintenance of equipment was under the control of the Director of Posts and Telegraphs. A decision was taken during the year that from 1st January, 1957 studio equipment should be the responsibility of the programme authority and operated by technicians on the staff of the Broadcasting and Information Department.

His Excellency the Governor broadcast on two occasions during the year from Radio Sabah, and distinguished visitors who gave talks included Sir Robert Scott, the Commissioner-General for the United Kingdom in South-East Asia; the Netherlands Consul-General in Singapore; and members of the Cambridge Expedition to North Borneo. A reference library for the use of Radio Sabah was kindly presented by the Asia Foundation after a visit of their representative.

Press

One of the most important services provided by the Department is the supply of official news and background information to the local press. To supplement news received from official sources and to cover items of local interest a network of out-station correspondents was built up during the year. The press section, which was organised in 1954, was able considerably to increase its output during the year. A total of 1,833 press releases, publicising Government activities or policies, apart from those received from the London Press Services dealing with United Kingdom or Commonwealth affairs, was issued by this section. These releases were sent to the English press and were edited for use in radio bulletins: most of them were translated by the language sections into Chinese, Malay and Dusun for use in the vernacular press and vernacular news bulletins. In view of the expansion of the vernacular press, which utilised most of these releases, the Department has ceased to publish news summaries in Chinese and Malay. Instead, the resources of the press section have been directed to the production of two new magazines which, it is felt, meet present-day needs. In May the first number of *Anak Sabah*, a monthly newspaper in English designed to interest adolescents, particularly those still at school, was produced. It aimed at helping young readers to improve their English, to take an interest in their country and the activities of their fellows, and at encouraging young people to write, particularly about Borneo. A circulation of approximately 1,000 was anticipated originally, but the paper was received with enthusiasm, particularly by the schools, and the circulation rose rapidly to 2,500 and has since been maintained at that figure.

The inauguration of a more comprehensive radio service created a need for the advance publication of programmes. A small magazine *Radio Sabah Programmes* giving programme

details in English, Chinese and Malay was published twice monthly from April, and by the end of the year enjoyed a circulation of 3,500 copies an issue, which is the largest circulation of any paper in the Colony. This has encouraged expansion to a larger magazine, allowing scope for the inclusion of a Dusun section, of articles and features and of photographs of radio personalities and topical events. *Radio Sabah Calling* commenced publication on 1st January, 1957.

In August a Press Conference was arranged to enable representatives of the local press to meet radio and press representatives accompanying a visiting Japanese War Graves Commission.

The *North Borneo News and Sabah Times*, the Colony's first English daily newspaper, continued to be published daily and to strengthen its circulation throughout the Colony. The inclusion of a page of news and correspondence in Romanised Malay and Dusun remained a popular feature, and in response to public demand a whole page was allotted to Dusun once a fortnight.

The Chinese newspapers *Api Siang Pau* (*Jesselton Commercial Press*), which began publication in 1954, and the *Hua Chiau Jit Pau* (*Overseas Chinese Daily News*), the oldest newspapers in the Colony, continued to maintain their reputable standards. A new well-produced Chinese daily paper, the *Borneo Times*, began publication in Sandakan, and appears to cater particularly for the East Coast.

Libraries and Reading Rooms

There has been a steady increase in the popularity and use made of the Public Library and Reading Room in Jesselton. Readers include all races and range from small children seeking story books to students pursuing advanced educational courses and business men reading commercial news. In particular much more use has been made of the reference section. The Sandakan Library and Reading Room, opened in 1955, has been re-housed on the ground floor of the Central Government Offices and this easier access has been reflected in the increased use made of its facilities.

Out-station libraries already well established have been consolidated, with the co-operation of District Teams. Papar Library and Reading Room, in its new and attractive building, has become a model out-station library, while the Library at Tawau, again re-decorated, has steadily increased its membership. A new Library was opened at Labuan at the end of the year, and in addition to small libraries at Kudat and Beaufort, there is in operation a book-box scheme for two other out-stations. Jesselton Library has a central librarian who is responsible for the forwarding and exchanging of the books of the other libraries and has undertaken extensive re-cataloguing during the year.

The libraries are stocked with books in the English language and all facilities are free. There are no other libraries in the country except those in private institutions such as schools and clubs.

The Department gratefully acknowledges yet a third generous gift of books presented by the British Council. This is expected to arrive shortly and will consist of books for the children's section.

Films

A new cinema built in permanent materials and equipped with modern projection apparatus and a cinemascope screen was opened in Kudat at the end of the year. Modern cinemas in Sandakan and Tanjong Aru, Jesselton are nearing completion, while construction is well advanced on the Colony's largest cinema, in Jesselton. At the end of the year there were seventeen cinemas in North Borneo and five travelling projectors serving the smaller towns and rubber estates. Films, usually obtained from Singapore, were infrequently of high standard, as popular taste accepts poor but sensational films, particularly in the vernacular languages. Copies of *British News* reels, received weekly by air from the Central Office of Information in London, were circulated during the year to all cinemas throughout the Colony. Cinema managers were, as in previous years, co-operative in showing these and other documentary films, which were very popular with film-goers.

The Department's mobile cinema unit maintained its regular circuit in and around Jesselton and showed films on 220 occasions to an approximate total of 77,000 people. Shows were screened in the open whenever possible and the increased attendance shows that their popularity has not waned over a long period. Difficulties in the maintenance of projection equipment have prevented the intended establishment of a similar circuit in and around Sandakan.

Two locally-made films were purchased and the film library was augmented by news films and documentaries supplied by the Central Office of Information and by a gift of films by the Australian Commission in Singapore. The film section was again greatly assisted by the loan of documentary and educational films kindly made available by the Malayan Film Unit, the British Council, the Australian Commission and the United States Information Service and other Singapore Libraries.

A 16-mm. camera was purchased at the end of the year for the use of the Department, and although financial stringency limits filming activities it is hoped to establish a small unit for the making of documentary films.

An Australian commercial film-producing unit re-visited Jesselton early in 1956 and covered much of the Colony in making a documentary film, which had been completed but not released by the end of the year.

Visitors

Mr. Vernon Bartlett visited the Colony in February and the Information Officer arranged for him to meet local journalists.

Sir Harry Luke was shown round the Library and Radio Sabah during his visit to the territory. In November the Department was pleased to welcome Mr. Noakes, Principal Information Officer at the Colonial Office, who had attended the Regional Information Officers' Conference in Singapore.

Other notable visitors included the British Council Representative in Sarawak, the two successive Heads of the United States Information Service in Singapore, and the Singapore Representative of the Asia Foundation.

An exhibition of some 450 books on loan from the British Council was held in the Jesselton Library and Reading Room during June.

Chapter 13: Geology

NORTH BORNEO occupies the north-eastern extremity of the island of Borneo which is the largest of some 3,000 islands fringing the coast of South-East Asia. The islands, extending from the Philippines to Sumatra, form an arc-shaped archipelago in which the Colony has an important position. In North Borneo are found features typical of Philippine geology as well as formations characteristic of Sarawak and Brunei; in fact, it appears that the eastern and western parts have evolved geologically in different ways. The east of the Colony is composed of rocks that range in age from Upper Cretaceous to Recent, and its structural evolution is associated with that of the mountain and island arc that sweeps from the Philippine island of Mindanao through the Sulu Archipelago to the Dent and Semporna Peninsulas. By contrast, the western part is built almost exclusively of Palaeogene rocks and is structurally associated with the arc that extends from the Sarawak and Brunei hinterland into the Crocker Range and possibly continues through Palawan Island. This extensive development of Palaeogene rocks in the west makes them the commonest rock formation in the Colony, as shown in the following table of estimated areas of outcrop comprising the 29,400 square miles of North Borneo:

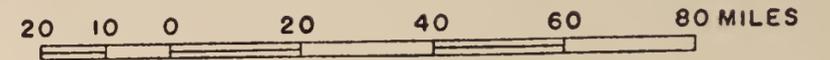
FORMATION				AREA (SQUARE MILES)
QUARTERNARY	...	...	...	4,000
TERTIARY	{	Neogene	...	7,700
		Palaeogene	...	13,000
CRETACEOUS		...	...	1,300
IGNEOUS	{	Acid	...	150
ROCKS		Intermediate and basic	...	2,500
		Ultrabasic	...	750

The rocks that were formed in Cretaceous and early Palaeogene times are mainly basalt, spilite, tuff, grey sandstone, and red and grey shale, with subordinate amounts of chert, calcareous siltstone, limestone, and marl. Later in the Palaeogene, deposition became less diversified until, towards the end of the Eocene epoch, only sandstone and shale were being formed. During the remainder of the Palaeogene, that is during Oligocene times, there was apparently a major time-break in deposition, as no rocks of that age are known in North Borneo.

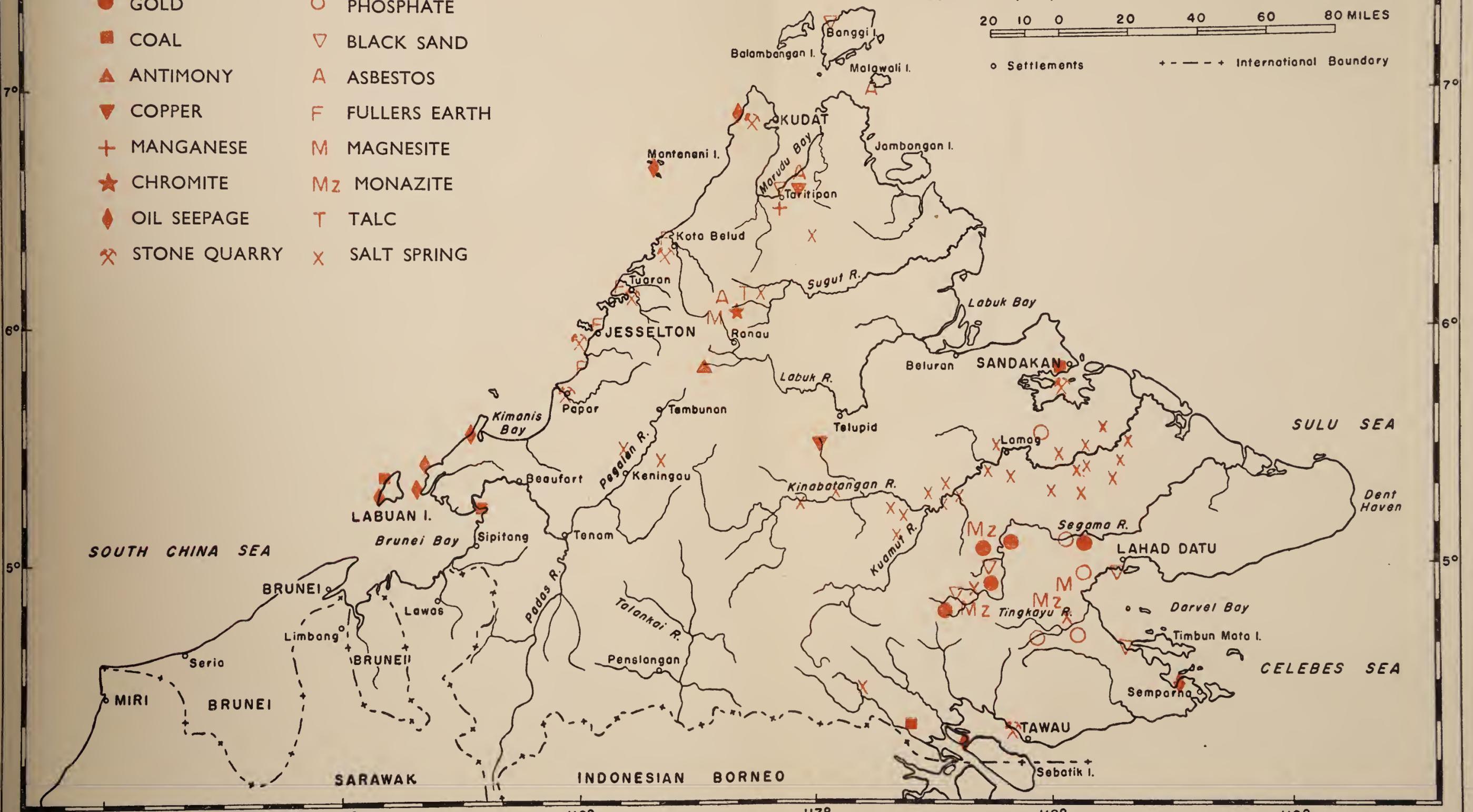
Distribution of NORTH BORNEO MINERAL RESOURCES

- | | |
|----------------|-----------------|
| ● GOLD | ○ PHOSPHATE |
| ■ COAL | ▽ BLACK SAND |
| ▲ ANTIMONY | △ ASBESTOS |
| ▼ COPPER | F FULLERS EARTH |
| + MANGANESE | M MAGNESITE |
| ★ CHROMITE | Mz MONAZITE |
| ◆ OIL SEEPAGE | T TALC |
| ⌘ STONE QUARRY | X SALT SPRING |

SCALE 1 : 3,000,000 OR ABOUT 48 MILES TO ONE INCH



○ Settlements + - - - + International Boundary



The lowest Neogene formation lies directly on Eocene beds and is composed mainly of massive sandstone, reef limestone, conglomerate, marl, feldspathic and coaly sandstone, shale, and andesitic tuff, all of Aquitanian age. Resting on these beds are shale, soft sandstone with plant remains and some coal, conglomerate, and coral limestone, of Miocene age; oil indications are associated with this formation. Younger Tertiary rocks are of limited occurrence and consist largely of reef limestone and loosely cemented sandstone and sand, with layers of clay; lignite seams and fossil resin are common. The youngest sediments in North Borneo are the Quaternary mud, sand, gravel, and peat of coastal areas and river valleys and of a number of plains in the Interior.

Palaeogene rocks build most of North Borneo west of a line from Labuk Bay to Pensiangan; they also occur with strata of Cretaceous age in the hinterland of Darvel Bay and in the Kalabakan-Brantian area. Much of the remainder of the eastern part of the Colony is underlain by Neogene rocks which also build the northern parts of the Kudat and Bengkoka Peninsulas, Klias Peninsula, Labuan Island, and an area bordering on the State of Brunei.

A wide variety of igneous rocks, ranging from ultrabasic to acid and from abyssal to volcanic, is present in North Borneo. The oldest group is composed of Cretaceous and early Eocene basic volcanic rocks such as basalt and spilite. Ultrabasic intrusions, which now form such prominent mountain masses as Mounts Silam and Meliau, were probably emplaced in mid-Eocene times and consist largely of serpentine. Gabbro and dolerite form minor basic intrusions that are probably mostly of much the same age as the serpentine, and the rock of dioritic composition that builds large areas in the Segama valley is thought to be a product of the same period of igneous activity. The acid igneous rocks that form Mount Kinabalu, and perhaps also Mount Rara, were probably intruded during the time-break between the deposition of Palaeogene and Neogene sediments. Intense intermediate volcanic activity in early Neogene times produced thick deposits of andesitic tuff and agglomerate mainly in the Dent and Semporna Peninsula areas. Vulcanism apparently died down later in the Neogene, but recent work in the south-eastern part of North Borneo suggests that basic, intermediate, and acid volcanic rocks in that area represent a recurrence of vulcanism during Quaternary times, that is, less than a million years ago.

North Borneo Production of Stone and Building Materials

<i>Material</i>	<i>Unit</i>	1954		1955		1956	
		<i>Production</i>	<i>Estimated Value (Malayan dollars)</i>	<i>Production</i>	<i>Estimated Value (Malayan dollars)</i>	<i>Production</i>	<i>Estimated Value (Malayan dollars)</i>
Stone	cubic yards	82,592	810,409	220,280	1,801,656	149,249	1,365,812
Coral	"	17,589	61,156	14,227	44,465	22,104	60,473
Bricks, clay	pieces	1,450,000	174,000	2,261,000	215,870	1,862,201	182,992
Bricks, concrete	"	217,152	17,372	300,000	24,000	504,000	26,600
Hollow concrete blocks	"	Nil	Nil	67,000	54,740	20,800	27,040

Mineral Resources

Clay, stone, coral (*see* the table on page 142), sand and small amounts of salt are being produced in North Borneo and coal has been mined in the past; other potentially useful mineral materials that are known to exist include further coal and phosphate, fullers' earth, peat, and limestone and clay suitable for cement manufacture. Antimony ore was discovered in 1955, but subsequent testing of the deposit showed it to be of small dimensions, and no further deposits were found in the area. Other minerals known, and for which further prospecting appears to be justified, are copper and chromium ores, magnesite and asbestos. Tests of the applicability of geochemical prospecting methods to the search for copper were made in 1955-6 and have given satisfactory results; preliminary indications are that a second ore-body may occur parallel with that already known at Karang (near the geographical centre of the Colony) and possibly of greater value, and that copper is present in a geologically similar environment in other parts of the same area. Although gold is known to exist in North Borneo, it is unlikely that there are commercial concentrations, and the manganese deposits of the Taritipan area in Marudu Bay have been shown to be small and to contain little high-grade ore. The Colony has been searched for possible oil-bearing structures in the past, so far without success; and the search is now being extended to the bed of the South China Sea by means of a marine seismic survey. Some of the soils, especially in parts of the East Coast area where they are associated with basic volcanic rocks, are well suited for the cultivation of such crops as rubber, hemp and cocoa.

Geological Survey Office

The Geological Survey Office in Jesselton is part of the combined department for the three British Territories in Borneo, the staff of which includes eight geologists; of these, the Director is stationed in Kuching, Sarawak, and the Deputy Director, with two more of the geologists, in Jesselton. The remainder of the staff in Jesselton consists of an office assistant, one clerk, eight technical assistants and an office messenger.

The office is a spacious building of modern design built in permanent materials in 1952. The main room is a museum for the display and storage of rock and mineral specimens, maps and photographs; displays include a relief model of the Colony showing the distribution of the various rock formations and a collection of North Borneo rocks illustrating the broad classification of rock types normally used by geologists; these displays and the headquarters activities of the department, such as the use of the stereoscope in interpreting airphotographs and of the microscope

in identifying rock types, are demonstrated to visiting groups of senior school children and teacher trainees. 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.

Finance

The expenditure of the combined department in 1956 in excess of a contribution of 70% from Colonial Development and Welfare sources was shared between North Borneo and Sarawak. The expenses of the department in North Borneo before 1956, and the cost of printing *The Geology of the Colony of North Borneo* (Bulletin No. 1 of the department, written by Professor M. Reinhard and Dr. E. Wenk and published by H.M. Stationery Office in 1951) were met from the Central and Colony allocations from these funds. In 1957, 25% of departmental expenditure will be borne by a Colonial Development and Welfare scheme, and the remainder by Colony revenues.

Departmental Activities

The main task of the department at present is regional geological surveying. Considerable time is also spent on advisory work for Government and the public, and in applying geological information to the search for stone supplies and economic mineral deposits and the development of underground water resources, and to assist with soil surveys. During 1956, E. A. Stephens, geologist, completed the draft of Memoir 5 of the department, entitled *The Geology and Mineral Resources of the Kota Belud and Kudat Area, Colony of North Borneo*, and P. Collenette, geologist, prepared an interim report on *The Geology and Mineral Resources of the Jesselton-Kinabalu Area, Colony of North Borneo*. The Deputy Director prepared a topographical map and photogeological reconnaissance of 3,600 square miles of the Sandakan area and parts of the Kinabatangan and Labuk valleys and made four major field expeditions into the area.

Geochemical prospecting for copper was applied to a restricted area in the vicinity of the known Karang copper deposit between the headwaters of the Karamuak river and Telupid on the Labuk, and reconnaissance geochemical prospecting was carried out on tributaries of the Karamuak and Labuk rivers, in connection with the geological reconnaissance of the Sandakan area in 1956. The detailed work at Karang showed that the method is applicable in North Borneo and gave indications, which must be tested further, that a second zone of mineralization may occur in the

same hill as the known copper deposit. The reconnaissance showed that further copper deposits may be present in geologically similar country elsewhere in the Labuk and Kinabatangan valleys.

Much of the advisory work in 1956 was in connection with stone supplies, which are in increasing demand for the building and road-making that are required to keep pace with the expanding economy of the Colony. In particular, advice was given on the siting of a quarry for stone for the timber extraction roads of the Bombay Burmah Trading Corporation, Limited, and on the possibilities of establishing a quarry at Sipitang to supply stone to the Labuan-Beaufort area and to Brunei. The Tanjong Lipat area at Jesselton was examined to see whether stone for a road from Jesselton to Likas could be obtained along the proposed route of the road, and possible quarry sites on the Kimanis road at Papar were investigated.

Future Plans

The regional survey of the Sandakan area and parts of the Kinabatangan and Labuk valleys will be completed, probably in 1958, and it is proposed that a survey of the remote area between the headwaters of the Kinabatangan and the Indonesian border should be started towards the end of 1957. A memoir on the geology and mineral resources of the Jesselton-Kinabalu area will be written during 1957, and the memoir on the Kota Belud and Kudat area will be published in the same year as soon as the accompanying maps can be printed. Reconnaissance photo-geological interpretation of the Colony will be continued at the Directorate of Colonial Geological Surveys, London, with special emphasis on the area where surveying is expected to start in 1957. Geochemical prospecting for copper has been encouraging; extension of this work in greater detail is under consideration.

PART III

Chapter 1: Geography and Climate

THE Colony of North Borneo occupies the whole of the northern portion of the island of Borneo. Its immediate neighbours are Brunei, a native state under British protection, Sarawak, a Crown Colony, and Kalimantan, or Indonesian Borneo.

The total area of the Colony is 29,388 square miles: North Borneo is thus roughly the size of Ireland. The South China Sea washes its western and the Sulu and Celebes Seas its eastern coasts. The coastline measures altogether 800 to 900 miles.

The distances from Jesselton 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 coast-line 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.

One of the chief geographical features of the country is the Crocker Range, a range of mountains stretching parallel with the coast from the Sarawak border in the south-western corner of the Colony to the Kinabalu massif. The average height of the range is between 2,500 and 3,000 feet and the mountains rise to over 4,000 feet along a central spine. The range culminates at its northern end in Mount Kinabalu (13,455 feet), the highest mountain in the Malay Archipelago and one of the finest mountains in South-East Asia. This lovely mountain, which is venerated by the natives as the resting place of the dead, may be seen from many parts of the Colony. Known on old charts as St. Peter's Mount, it was first climbed by a European in 1857 when Mr. (afterwards Sir Hugh) Low made the ascent from Tuaran.

Mount Trus Madi (8,500 feet), on the border of the Keningau and Tambunan districts, lies to the east of the Crocker Range and is the highest mountain in the country after Mount Kinabalu. The whole of the Interior between the Crocker Range and the Kalimantan border, with the exception of the Keningau and Tambunan plains, is mountainous and difficult of access.

On the East Coast, much of the terrain inland from Tawau and Lahad Datu is mountainous and almost entirely undeveloped. The valleys of the Segama and Kinabatangan rivers traverse, by contrast, for much of their length, a broad, heavily forested

plain, interspersed with hills and crossed by numbers of rivers. There are extensive areas of fertile volcanic soil in the Semporna peninsula and the alluvial soil in the Segama valley is suitable for the cultivation of high grade cigar wrapper leaf tobacco.

Between the Crocker Range and the sea on the West Coast is an extensive and relatively heavily populated coastal plain, in which is cultivated the major part of the rubber and rice produced in the Colony. Inland from the coastal plain is the Tenom valley, which contains some of the best agricultural land on the West Coast. In the Interior are the Keningau and Tambunan plains, through which runs the Pegalan river. The Keningau plain consists of wide stretches of scrub and grassland; the Tambunan plain, on the other hand, is intensely cultivated and contains at least 4,000 acres of irrigated padi land.

Rivers are numerous throughout the country and are of considerable importance, constituting as they do the only means of communication in some districts. The longest river is the Kinabatangan, which, rising in the Wittti Range in the Interior, follows a course of 350 miles before reaching the sea between Sandakan and Tambisan. The river is navigable by large launches as far as Lamag and well beyond that point by smaller launches and shallow-draught craft powered by outboard engines. The Segama river is navigable for about sixty miles. The other main rivers flowing out to the East Coast are the Sugut and the Labuk. The rivers on the West Coast are shorter and swifter flowing. The longest of them is the Padas, which is navigable by small launches as far as Beaufort. The Padas has cut a deep and scenic gorge through the hills of the Crocker Range, and it is through this that the railway passes to connect Beaufort and Tenom. The Tagul river, which has its headwaters near the Indonesian border, flows through Pensiangan district into Kalimantan, where it is known as the Sembakong. Much of the merchandise handled in the shops at Pensiangan is transported along this river through Indonesian territory to and from Tawau.

The main harbour on the West Coast is at 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 British North Borneo and the largest town in the Colony, is built on the northern shore about a mile from the entrance. Other harbours are Lahad Datu, further down the East Coast, and Cowie Harbour with its port of Tawau.

The population of the principal towns is given on page 12 under Chapter I of Part II.

The climate of North Borneo is tropical, but on the whole equable. On the coast, day temperatures vary from 74°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 72° and in most places comparatively cool nights occur.

Annual rainfall varies from sixty 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 or April 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 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 rainstorms accompanied by high winds are not infrequent.

CLIMATOLOGICAL SUMMARY, 1956
SANDAKAN (AIRPORT)

LATITUDE 5° 54'N LONG. 118° 04'E.

HEIGHT OF STATION 38 FEET AMSL.

1956	AIR TEMPERATURE IN DEGREES FAHRENHEIT		RAINFALL		NUMBER OF DAYS					BRIGHT SUNSHINE		EARTH TEMP.													
	MEANS OF		ABSOLUTE EXTREMES		Total Inches	MOST IN A DAY	Amount	Date	Precipitation	Thunderstorm	Thunder heard	Fog	Gale	Total Hours	Daily Mean (hour)	1 foot	4 feet								
	A	B	Highest Max.	Lowest Min.														Date	Date	Date					
	Maximum	Minimum	Mean of A & B	Highest Max.	Lowest Min.	Date	Date	Date	Date	Date	Date	Date	Date	Date	Date	Date	Date								
Jan.	1009.4	83.7	72.1	77.9	87.6	18	69.8	26	76.8	9	75.1	25	30.53	4.30	17	27	4	8	—	—	122.45	3.95	81.1	83.0	
Feb.	1009.8	85.6	72.7	79.1	87.8	24, 25	70.3	11	77.1	10	76.8	26	9.78	2.19	12	16	2	2	—	—	187.85	6.48	82.6	83.7	
Mar.	1011.0	87.1	73.0	80.1	88.2	14, 30	69.6	10	84.3	12	75.3	29	9.34	4.26	10	19	2	4	3	—	—	229.55	7.40	85.0	86.2
Apr.	1009.3	88.6	73.1	80.9	91.4	10	70.2	9	85.7	3	75.7	27	10.58	2.82	19	15	4	10	—	—	187.20	6.24	85.3	86.5	
May	1009.6	87.7	73.0	80.3	91.9	25	70.7	4	82.7	5	75.2	9	9.11	2.20	16	20	2	7	4	—	—	173.05	5.58	85.1	86.4
June	1009.9	89.2	72.2	80.7	91.8	9	70.0	6	85.9	27	74.3	8	5.18	3.27	5	12	2	11	—	—	216.75	7.23	85.6	87.0	
July	1009.8	89.3	71.4	80.3	92.0	2	69.8	27, 29	83.0	15	74.1	6	2.19	1.03	8	11	2	10	3	—	—	225.10	7.26	85.1	86.6
Aug.	1009.4	89.1	71.6	80.3	92.7	31	69.2	7	82.6	8	75.1	11	5.77	0.94	6	18	4	9	1	—	—	182.00	5.87	84.4	85.8
Sept.	1009.7	89.6	71.6	80.6	92.6	15	69.2	5	81.7	28	74.5	2	13.87	3.02	30	16	6	18	3	—	—	202.05	6.73	84.8	86.1
Oct.	1010.2	88.5	72.4	80.5	92.6	21	70.6	2	85.6	25	74.0	20	12.00	2.68	8	20	3	11	1	—	—	203.95	6.58	84.5	85.7
Nov.	1010.4	86.7	72.2	79.5	91.3	18	69.7	9	80.3	8	74.2	24	16.13	3.48	8	22	5	9	1	—	—	138.00	4.60	83.2	84.6
Dec.	1010.0	84.9	71.8	78.3	87.3	26	68.9	31	79.1	2	73.6	7	24.90	3.36	7	25	2	8	—	—	—	104.45	3.37	81.3	82.9
Total	—	—	—	—	—	—	—	—	—	—	—	—	149.38	—	—	221	38	107	18	—	—	—	—	—	—
Means or Extremes	1009.9	87.5	72.3	79.9	92.7	—	68.9	—	76.8	—	76.8	—	—	4.30	—	—	—	—	—	—	—	181.03	5.94	84.0	85.4

CLIMATOLOGICAL SUMMARY, 1956
LABUAN (AIRPORT)

HEIGHT OF STATION 98 FEET AMSL. LATITUDE 5° 17'N LONG. 115° 16'E.

1956	AIR TEMPERATURE IN DEGREES FAHRENHEIT				RAINFALL		NUMBER OF DAYS					BRIGHT SUNSHINE		EARTH TEMP.											
	MEANS OF		ABSOLUTE EXTREMES		Total Inches	MOST IN A DAY	Precipitation	Thunderstorm	Thunder heard	Fog	Gale	Total Hours	Daily Mean (hour)	1 foot	4 feet										
	A	B	Highest Max.	Lowest Min.												Date	Date	Amount	Date						
Mean 0800 hrs. air pressure at MSL.	Maximum	Minimum	Mean of A & B	Highest Max.	Lowest Min.	Date	Highest Min.	Date	Date	Date	Date	Date	Date	Date	Date										
Jan.	1010.0	83.9	74.6	79.3	87.0	31	70.6	7	80.2	21	78.2	28	17.55	5.61	3	21	1	7	—	—	169.70	5.47	81.6	83.4	
Feb.	1010.1	85.1	76.1	80.6	87.9	20	73.7	18	82.3	10	78.4	19, 29	3.59	1.15	16	14	1	4	—	—	214.70	7.40	82.5	83.5	
Mar.	1011.1	87.1	76.6	81.9	90.5	26	72.7	20	85.0	Sev.	78.8	30	12.00	4.36	19	14	1	8	—	—	269.65	8.70	84.3	85.0	
Apr.	1010.1	87.4	76.9	82.1	92.2	26	74.5	29	81.9	1	79.5	26	7.50	3.81	28	13	3	9	—	—	230.65	7.69	84.5	85.4	
May	1010.1	87.0	76.5	81.7	90.2	3	72.7	26	82.7	1	79.8	13	19.65	3.43	6	17	—	8	—	—	209.25	6.75	84.1	85.3	
June	1010.4	86.9	77.0	81.9	90.9	20	73.5	2	82.0	18	80.8	21	9.18	2.27	1	15	1	12	—	—	203.50	6.78	83.4	84.9	
July	1010.7	86.3	75.5	80.9	89.2	11	70.8	30	79.4	28	79.7	8	13.88	3.65	25	19	1	12	—	2	222.55	7.18	82.4	84.4	
Aug.	1010.3	86.4	75.3	80.9	90.0	6	72.2	11	81.3	9	79.1	16	10.01	2.76	28	18	1	5	—	3	177.70	5.73	82.1	83.6	
Sept.	1010.5	86.2	75.8	81.0	89.8	20	71.0	8	81.1	14	79.5	20	8.43	2.62	30	18	3	10	—	1	174.80	5.83	82.6	84.0	
Oct.	1011.1	85.7	75.4	80.5	89.0	29	72.0	13	80.5	1	78.6	27	19.89	4.88	6	23	2	10	—	—	208.75	6.73	82.3	83.9	
Nov.	1011.5	84.6	75.2	79.9	88.0	24	71.5	22	79.5	9	78.6	25	14.55	3.55	21	23	2	6	—	—	167.00	5.57	81.8	83.7	
Dec.	1010.6	84.5	75.0	79.7	87.5	7	71.7	13	77.8	29	78.7	7	14.40	1.92	16	26	1	7	—	—	145.50	4.69	81.8	83.5	
Total	—	—	—	—	—	—	—	—	—	—	—	—	150.63	—	—	221	17	98	—	6	—	—	—	—	—
Means	or 1010.5	85.9	75.8	80.9	92.2	—	70.6	—	77.8	—	80.8	—	—	4.88	—	—	—	—	—	—	199.48	6.54	82.8	84.2	
Extremes																									

Chapter 2: History

THE name Borneo, which is now applied to the whole island, was probably derived from the name of North Borneo's immediate neighbour—Brunei. North Borneo itself was formerly known as Sabah, the title still used in the vernacular.

Very little is known of the history of North Borneo before the advent of the first Europeans. There has been much speculation about Chinese settlement in North Borneo, but so far no evidence has been found to enable any positive conclusion to be drawn. It has been suggested that the Dusuns, the largest native tribe, are descendants of Chinese ancestry, but again there is no reliable evidence of any kind to support such a theory. Magellan's fleet calling at Brunei in 1521 after the death of Magellan in the Philippines may, for historical purposes, be said to have "discovered" Borneo. It is certain, however, that there had been contacts with China before that date. It is possible that Chinese had visited Borneo as early as the Sung dynasty (A.D. 960-1279), and that expeditions despatched by the Mongol conquerors to Java and elsewhere in the East Indian archipelago in the following century touched at the island. (The north coast of Borneo is only some 1,200 miles from the mainland of China). The Chinese commander Cheng-Ho evidently led expeditions that called at the island during the reign of the Ming ruler Yung Lo (A.D. 1403-1424). A writer in the *North Borneo Herald* of 1st May, 1895, discussing early Chinese contact with Borneo, concludes that it was likely that a Chinese had held high office in North Borneo within the three preceding centuries. He goes on to suggest that the truculence of the North Borneo pirates during the 18th and 19th centuries was traceable to a liberal infusion of Hokkien blood! Whatever the nature of early Chinese contacts with Borneo, they were considerably affected by the arrival in the East Indian archipelago of the Europeans in the 16th century. Portuguese, Spanish, Dutch and English successively were active from this time. Portuguese and Dutch trading policy, by which all produce connected with the China trade was directed through their own depots at Malacca and Batavia, put an end to the junk traffic between China and Borneo that is known to have flourished for a long period, and, indeed, to direct contact with China. This interruption in legitimate trade probably stimulated the rise of the pirates who were to terrorise the northern coasts of the island until nearly the end of the 19th century.

After Magellan's fleet had called at Brunei the Portuguese under Jorge de Menezes paid a visit to Brunei in 1526. The influence of the Portuguese, however, never reached any substantial degree; and in due course they were driven out of the archipelago and conducted their trading from Macao. According to *Hunt the Portuguese established stone forts at Brunei and Labuan, though at the time that he wrote (1812) they had already become ruins. In the 17th century what is now the territory of the Colony of North Borneo fell largely within the kingdom of Brunei. Civil disturbances later compelled the Sultan to seek the aid of the ruler of Sulu and it is believed that ultimately he ceded to the latter all the territory from the Kimanis river on the north-west coast to the Straits of Macassar on the east of the island. When Sir William Draper captured Manila in 1763 he was able to release the reigning Sultan of Sulu, then a prisoner of the Spanish. As a *quid pro quo* the Sultan ceded to the East India Company all of the territory obtained from the Sultan of Brunei. Shortly afterwards (in 1773) the Company opened a station at Balembangan, an island to the north of Marudu Bay. The Company was badly in need of a base for its trade with China, but the choice of Balembangan proved unfortunate, the island being both unhealthy and menaced by pirates. The settlement was attacked and pillaged by Sulus and Illanuns in 1775 and the garrison forced to flee to Brunei. In 1803 the Company again attempted to establish a base at Balembangan, but the station was closed finally in the following year together with another factory at Brunei.

Until James Brooke visited Borneo some fifty years later no further attempts were made at colonisation by Europeans. The East India Company having withdrawn its interest the Sultans of Brunei and Sulu once again exercised control over the northern part of the island—a control which was, however, largely nominal. The collection of revenue was farmed out to natives of rank: this, as might be expected, resulted merely in the appointed farmers plundering the inhabitants to their own advantage. Amongst the tribes settled along the coast there was a loose system of Islamic law; in the interior primitive native peoples practised head-hunting and had little contact with any form of civilization.

The most notorious of the pirates to infest the waters of North Borneo were the Illanuns, the Balagnini and the Bajaus, who came principally from the Sulu Islands in the southern Philippines. The vessels in which they undertook their expeditions were large and heavily armed, sometimes cruising in fleets of as many as 200 sail. Their operational area was extensive, covering the coasts of the Philippine Islands, Borneo, the Celebes, Sumatra, Java and

* Sketch of Borneo by J. Hunt: Appendix V in Expedition to Borneo of H.M.S. "Dido", London, 1847.

the Malay Peninsula and even reaching the Bay of Bengal. The pirates had settlements of considerable size at various points along the coastline of North Borneo, particularly in Marudu Bay and later at Tungku. The main object of the piratical raids was the capture of slaves, who could be seized in one country and sold in another. Brunei was at one time the chief slave market. In the Dusun villages of the west coast of North Borneo the pirates found a liberal supply of slaves, cattle and agricultural produce. Numbers of European vessels were attacked and sometimes they were seized and their crews carried off into slavery.

James Brooke reached Borneo (Sarawak) in August, 1839. Going to the assistance of Rajah Muda Hashim, the uncle of the reigning Sultan of Brunei, in the suppression of a rebellion of Land Dayaks and Malays he received the cession of an area of land in the vicinity of Kuching. In September, 1841 he was installed as Rajah of this territory, which later was to be considerably augmented to become the State (and in due course the Crown Colony) of Sarawak. It is not generally realised that it was James Brooke who secured the suppression of piracy in North Borneo. He recognised from the beginning that the first step to be taken before settled Government could be introduced was to put an end to the activities of the pirates. Having obtained the services of the Royal Navy for the purposes of restoring order in Sarawak he secured its intervention in the suppression of piracy in North Borneo. In 1845 a successful action was carried out against pirates at Langkon in Marudu Bay and in 1846 there was a further naval action in the Membakut river. These steps and the occupation of Labuan in 1847 initially had a salutary effect, but after some years the position again deteriorated, the Illanuns and Balagnini brazenly renewing their activity and establishing a major pirate base at Tungku on the east coast. By 1879 the pirates were again so active that H.M.S. *Kestrel* was despatched to destroy Tungku. Only then was the pirate menace which had plagued the Borneo coasts for so many years finally ended. Small scale piracy may not, however, be considered to have been totally eradicated: the township of Semporna on the east coast was attacked and looted by raiders from the Philippines as late as March, 1954 and there have been a number of smaller incidents.

In 1846 the British flag was hoisted in Labuan by Captain Mundy commanding H.M.S. *Iris* and in 1847 a Treaty of Friendship and Commerce was concluded between the British Government and the Sultan of Brunei, who ceded the island of Labuan in perpetuity to the British Crown. The island became a Crown Colony under the Straits Settlements Government, but from 1890 until 1st January, 1906 was administered by the Government of North Borneo. James Brooke was appointed the first Governor of

Labuan as well as Commissioner and Consul-General to the Sultan of Brunei. The modern history of North Borneo may be considered to date from this time.

It was not many years before outside interest in the country was once again evidenced. In 1865 a company was formed in Hong Kong of American and Chinese interests known as the American Trading Company of Borneo, which later acquired concessions from the Sultan of Brunei and founded a colony at Kimanis. For various reasons the venture proved unprofitable and the settlement was soon abandoned. A monument marking the grave of one of the representatives of the Company may still be seen on Kimanis estate.

The names of William Cowie and Baron Overbeck are closely associated with the founding of the British North Borneo (Chartered) Company and of the regime which continued up to the Japanese invasion in 1942, although as a matter of fact neither of them took any part in the actual inauguration of the Company. Cowie was on close terms with the Sultan of Sulu, whom he supplied with arms, and in the early 1870's he managed to obtain the latter's permission to establish a depot in Sandakan Bay. In spite, however, of Sandakan's favourable position in relation to the Philippines Cowie's Labuan Trading Company did not prosper. Later Cowie had a meeting in Hong Kong with Torrey, the only survivor of the American Trading Company. Both men were keenly interested in developing North Borneo. At the same time Baron Overbeck, then Austrian Consul-General in Hong Kong, also expressed interest in North Borneo and associated himself with Cowie and Torrey. Baron Overbeck was backed by Alfred Dent and his brother, businessmen with connections in London and the Far East. In 1878 after protracted negotiations with the Sultans of Brunei and Sulu the Baron succeeded in obtaining for the party the cession of a large area of North Borneo in return for certain annual payments. Baron Overbeck shortly afterwards sold his interest to the Dent brothers and retired to Europe. Cowie in due course became the Managing Director (in London) of the British North Borneo (Chartered) Company and later, in 1909, became the Chairman of the Company in succession to Sir Charles Jessel.

Following the grant of the territory immediate steps were taken to establish the rudiments of government. * William Pryer, who is credited with being the founder of Sandakan, was put in charge of the settlement there, which in 1879 he moved to its present site at the entrance to the bay. Stations were opened at Tempasuk (Kota Belud) and Papar. A Limited Provisional Association was then formed and a petition was addressed to the

* William Pryer, the founder of Sandakan: *Journal Malayan Branch Royal Asiatic Society* (Vol. XXVII, Part I, page 35)

Secretary of State for the Colonies in London which sought the grant of a Royal Charter. A Charter was granted on 1st November, 1881 by Mr. Gladstone's Liberal Government to the "North Borneo Provisional Association Limited", which provided *inter alia* that the Company should always be British and that it should undertake to abolish slavery, to administer justice with due regard to native customs and laws, and not to interfere with the religion of the inhabitants. It prohibited the transfer of the grants and concessions without the authority 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, including the approval of the appointment of the Company's Governor. In May, 1882 the British North Borneo (Chartered) Company was formed; and in May, 1888 the State, together with Brunei and Sarawak, became a British Protectorate.

Consequent upon the grant of the Charter and the creation of conditions for the establishment of ordered government fairly rapid and satisfactory progress was achieved. The Court of Directors in London was a body of wellknown and influential men, and the capital of the Company was substantial (£2 million). Mr. (afterwards Sir) William Hood Treacher was seconded by the British Government as the first Governor of the State of North Borneo. It was decided initially that the Company should remain an administrative body and should not participate directly in trade; this decision was, however, modified in 1920 when the Government commenced to take an active part in the development of the country by investing capital in certain local enterprises. To attract capital and settlers into the new country very favourable terms were offered. Active steps were taken to secure Chinese immigration to supply the labour that was a prerequisite of development and very early on large numbers of Chinese began to pour in, both from the mainland of China and from Singapore. The measures taken were not as successful as was hoped would be the case, for the labour market became overcrowded and numbers of disillusioned immigrants had to make their way back to China. Nevertheless communities were established at Kudat and Sandakan which still thrive today.

The country possessed three main attractions: its timber, its reputed minerals and its land. The timber trade has now grown to be the second of the Colony's industries, while the much sought after minerals, with the exception of deposits of coal, have never been exploited. The land has proved the most valuable asset. There was considerable speculation in the early days of the Chartered Company concerning the most suitable crops for cultivation; sugar, coffee, coconuts, tobacco, ramie and cocoa were all tried. By 1889 no less than 78 companies had taken up land, nearly all for tobacco cultivation. Tobacco, although initially far

and away the most important form of cultivation, did not prove a permanent crop; today there is only one company planting tobacco in North Borneo (though the wrapper leaf that it produces is of world-wide reputation). The tobacco boom, however, set the new State upon its feet and assisted in opening up the country about which very little was then known.

In due course new stations were opened at Gaya, Silam, Kudat (the capital until 1884), Tawau, Penungah and Semporna, and later at Keningau, Tenom and Beaufort. Various enclaves of territory not included in the territory acquired initially were absorbed over a number of years to knit the State into a compact whole of about 29,400 square miles (the area of the present Colony). A few of the additions were the result of punitive expeditions that the Company was compelled to undertake. The last enclave to be acquired was the Membakut district, which was ceded by an independent chief in 1902.

In 1894 it was suggested, as a result of an economic set-back experienced after the subsidence of the tobacco boom, that North Borneo should be federated with Sarawak; but this proposal, although strongly supported by Lord Brassey, who had visited North Borneo in 1887, was rejected by the Company's shareholders. Economically the country went slowly ahead. Capital started to flow in and the immigrant population (principally Chinese) gradually increased. In 1896 a telegraph line from Jesselton to Sandakan was completed. A metre-gauge railway to run from Weston to Beaufort was begun in the same year, being opened to traffic in 1898 and completed in 1900. An extension from Beaufort to Jesselton on the west coast (and also to Melalap in the Interior) was then commenced, which was finally taken over from the contractors in 1905. The railway opened up the west coast. Although there is now air connection with Keningau, it continues to supply and to carry the export produce of much of the west coast and the interior. The railway proved its value at the time of the rubber boom in the early nineteen hundreds; it ran through miles of land eminently suited for rubber cultivation which the Chartered Company by offering absurdly attractive terms was able to dispose of to a number of companies and smallholders. Today it is estimated that there are more than 125,000 acres of rubber under cultivation in the Colony, the greater part being on the west coast and in the interior.

Apart from a number of minor set-backs—including the insurrection of Mat Salleh in the years 1894-1900 and the Rundum rebellion in 1915—the Chartered Company was able to achieve creditable, although somewhat slow progress. The first world war did not directly affect the State, which had, however, its share of the world slump of 1931. When the second world war broke

out the Company was unable to point to any marked development such as characterised Singapore, Malaya or Hongkong; but it could look with justifiable satisfaction upon an ordered system of government and a populace well contented under its administration. Sandakan was the permanent seat of Government and the centre of commerce; Jesselton, Beaufort, Tawau and Kudat were small but prosperous towns. Rubber was the industry upon which the economy of the State rested. There were few roads and no air connections with the outside world. This peaceful state of affairs was changed abruptly by the war.

In January, 1942 North Borneo was invaded by 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 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.

The almost total destruction during the war period of the progress made by the Chartered Company in its sixty years of administration was a severe handicap to the new post-war government. Quite apart from the wholesale devastation which was the war's principal legacy, it was found that the greater part of all pre-war official records had been destroyed. The emphasis in the immediate post-war period had necessarily, therefore, to be on rehabilitation.

There are four factors with which the post-war Government has been most concerned; firstly, rehabilitation and reconstruction; secondly, economic development; thirdly, the extension of social services; and fourthly, the association of the local population in the work of Government. Reconstruction and development have marched hand in hand. A reconstruction and development plan for the years 1948-1955 was adopted in 1948 and in 1955 a further development plan for the years 1956-1960 was approved. This plan was substantially modified in 1956. There has been much progress in the field of social services. In 1950 a new Constitution came into being, which provides for the establishment of Executive and Legislative Councils. These Councils were inaugurated in October, 1950. Three rural Local Authorities have been constituted under legislation introduced in 1951, and

under a Municipal Ordinance enacted in 1953 considerably wider powers than were formerly applicable have been conferred upon Urban Authorities.

LIST OF IMPORTANT DATES IN THE HISTORY OF
NORTH BORNEO

- | | | |
|------------|-----|--|
| 1521 | ... | Magellan's fleet visited Brunei. |
| 1763 | ... | Sultan Amir of Sulu ceded his possessions in Borneo to the East India Co. The Company's flag hoisted at Balembangan. |
| 1773 | ... | Settlement opened by the East India Company at Balembangan. |
| 1775 | ... | Settlement at Balembangan attacked by Sulus and abandoned. |
| 1803 | ... | Settlement at Balembangan re-opened. |
| 1804 | ... | Settlement at Balembangan closed. |
| 19/8/1845 | ... | Naval engagement at Marudu against Sherip Osman. |
| 24/12/1846 | ... | Captain Mundy commanding H.M.S. <i>Iris</i> hoisted British flag at Labuan, the Sultan of Brunei having ceded the island in perpetuity to Great Britain. |
| 1865 | ... | The Sultan of Brunei ceded west coast of North Borneo to the American Trading Company. American settlement established at Kimanis. |
| 1875 | ... | Concessions formerly given to American Trading Company acquired by Baron Overbeck (Austrian Consul-General at Hong Kong). |
| 1877 | ... | Baron Overbeck secured the backing of Alfred Dent, a British businessman. |
| 19/12/1877 | ... | The Sultan of Brunei and Pengiran Temong-gong ceded possessions in North Borneo to Baron Overbeck and Alfred Dent. |
| 22/1/1878 | ... | The Sultan of Sulu ceded east coast possessions to Baron Overbeck and Alfred Dent. |
| 11/2/1878 | ... | W. B. Pryer put in charge of settlement at Sandakan. W. Pretyman and W. L. Leicester established at Tempasuk and Papar respectively in the same month. |
| 21/6/1879 | ... | Sandakan (Elopura) founded. |

- 1/11/1881 ... The British North Borneo (Chartered) Company incorporated by Royal Charter and authorised to acquire cessions from the British North Borneo Provisional Association. (Charter Day).
- 17/12/1881 ... Kudat founded (the capital of the State until 1884).
- 1/7/1882 ... The British North Borneo (Chartered) Company took over formally from the British North Borneo Provisional Association.
- 1882 ... Settlement established at Gaya. First rubber seeds reached North Borneo.
- 4/4/1883 ... First Hakka immigrants to reach North Borneo arrived at Kudat.
- 1883 ... Advisory Council constituted (lapsed in 1905).
- 1885 ... First timber shipped to Australia and first tobacco marketed in Europe.
- 1887 ... First school established (Roman Catholic Mission, Sandakan).
- 12/5/1888 ... North Borneo became a British Protectorate.
- 1888 ... Protestant Mission school opened at Sandakan. Planters' Association formed.
- 1894 ... Construction of cross-country telegraph (Labuan to Sandakan) commenced.
- 1894-1900 ... Mat Salleh rebellion.
- 1896 ... Railway construction begun.
- 8/4/1897 ... Telegraphic communication established between Sandakan and London.
- 9/7/1897 ... Settlement at Gaya raided by Mat Salleh.
- 4/1/1898 ... Beaufort town site named.
- 1898 ... Tawau founded.
- 1899 ... Jesselton founded.
- 31/1/1900 ... Mat Salleh killed.
- 1900 ... Beaufort-Weston section of the railway opened to traffic.
- 1901 ... Kota Belud founded.
- 1905 ... Railway extended to Jesselton and Tenom.
- 1906 ... First export of coal from Silimponon mines.
- 1912 ... Legislative Council formed with seven official and five unofficial members.

- 7/12/1913 ... Northern Chinese settlers arrived at Jesselton.
1915 ... Rundum rebellion.
1921 ... First Government vernacular schools opened,
at Kota Belud and Papar.
1935 ... Native Chiefs Advisory Council established.
1936 ... The Tawau and Sandakan, and Interior and
West Coast Residencies amalgamated.
1/1/1942 ... North Borneo invaded by Japanese forces.
9/1/1942 ... Jesselton occupied by the Japanese.
19/1/1942 ... Sandakan occupied by the Japanese.
12/5/1942 ... West Coast Europeans interned.
1943 ... Kwok rebellion on the West Coast.
21/1/1944 ... Mass execution at Petagas, Jesselton by the
Japanese in reprisal for Kwok rebellion.
10/6/1945 ... Forces of the Ninth Australian Division landed
at Labuan.
28/9/1945 ... Allied forces entered Jesselton.
19/10/1945 ... Allied forces entered Sandakan.
15/7/1946 ... British Military Administration ended. North
Borneo (including Labuan) became a Crown
Colony.
26/6/1948 ... Jurisdiction over the Turtle Islands transferred
to the Philippine Government.
1950 ... Executive and Legislative Councils established.
1/11/1954 ... Tawau Residency established.
3/10/1955 ... Interior Residency established with head-
quarters at Keningau.
1/9/1956 ... Labuan constituted a Free Port.

Chapter 3: Administration

THE North Borneo Letters Patent, 1946 to 1955, 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, Executive and Legislative Councils 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 Nominated Members of the Legislative Council are appointed by His Excellency the Governor, who, in accordance with proposals outlined to the Council in November, 1955, normally makes selections for eight of the seats from a panel of names put forward by a number of representative bodies.

The names of the members of the Executive and Legislative Councils at the end of 1956 are given at Appendix XIV. During the year there were seventeen 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 the year, the Branch had twelve members and twelve associate members.

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.

For local administration the Colony is divided into four Residencies: the West Coast Residency, the Interior Residency, the Sandakan Residency and the Tawau Residency, with headquarters at Jesselton, Keningau, Sandakan and Tawau respectively. The headquarters of the Interior Residency (which was formerly known as the Labuan and Interior Residency) were moved from Labuan to Keningau in October, 1955. The island of Labuan is now administered by a District Officer who is responsible directly to the Chief Secretary in Jesselton. District Officers are stationed at Sandakan and Lahad Datu on the East Coast. There are five District Officers in the West Coast Residency, at Jesselton, Tuaran, Kota Belud, Kudat and Papar, and two in the Interior Residency, at Tenom and Beaufort. At Tawau the Resident undertakes the duties formerly carried out by the District Officer. In addition, there are several sub-districts under the control of Assistant District Officers. All District Officers are expatriate officers, but the majority of Assistant District Officers are now locally recruited.

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 Assistant District Officers are Assistant Collectors of Land Revenue and Assistant Commissioners of Labour.

The Rural Government Ordinance (Cap. 132), which was enacted in 1951, provides for the establishment of Local Authorities in rural areas. Wide powers are conferred upon these Authorities, which have control over their own finances and may levy rates and cesses and make by-laws for such purposes as the improvement of agriculture and animal husbandry, the control of buildings, the provision and maintenance of markets and the safeguarding and promotion of 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 Assistant District Officer, who is a Native of the district. As from 1st July, 1954, the small township of Kota Belud, which has a Chinese population, ceased to be an urban area and was incorporated into the rural authority area. At the same time several Chinese, representing the interests of the town, were appointed as members of the Local Authority, which had until then been composed entirely of Native members. The first experiment having proved successful a second Authority was established at Sipitang on 1st January, 1955. The Authority was initially under the presidency of an expatriate Administrative Officer, but the Assistant District Officer who, as in the case of the Kota Belud Local Authority, is a Native, was subsequently appointed President. Very satisfactory progress has been made. The local limits of the Authority embrace nearly the whole of the administrative district of Sipitang and include the small townships of Sipitang, Melamam, Sindumin and Mesapol.

A third Authority was established at Papar on 1st July, 1956 and preliminary indications are that this will also make satisfactory progress. The Authority's local area includes the whole of the district of Papar and the townships of Papar, Kimanis, Kinarut and Bongawan. The District Officer is *ex-officio* President.

Much of the work of the Local Authorities is done through committees, notably Finance, Tamu (Native markets), Agriculture and Irrigation and Livestock committees.

The Rural Government Ordinance has been in force for six years and is now being reviewed. Its effectiveness has unfortunately been compromised by the restricted sources of revenue it makes available to Local Authorities. Each of the Authorities has had to accept disproportionately large subventions from Central Government funds.

The Municipal and Urban Authorities Ordinance (Cap. 162), enacted in 1953, came into force on 1st July, 1954 and replaced the former Sanitary Boards Ordinance of 1931, under which Sanitary Boards with limited powers had been constituted in all the larger townships. On that date Jesselton and Sandakan (the two largest towns in the Colony) became Town Board areas. The Ordinance represents a considerable advance on the Sanitary Boards Ordinance and provides for the constitution of Township Authorities (with or without boards, depending upon their importance), Town Boards and Municipal Councils. On 1st January, 1955 the towns of Tawau and Labuan also became Town Board areas, and Township Authorities were established at thirty-five townships, of which twelve now have Boards and the remainder are administered by the District Officer as the Authority. There are

as yet no Municipal Councils. The members of Town Boards and Township Authorities are nominated by the Governor and there are no elections, but in the case of the Town Boards the unofficial members must be in the majority. The Town Boards have considerably more control over their finances than previously.

An important administrative development was the creation of "district teams" in 1954, which comprise the chief local representative of each Government 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 for the next. Difficulties are discussed and plans for the Residency or District, as the case may be, co-ordinated. There is no duplication with the work of local bodies. Where there are at present no Local Authorities, it is hoped that district teams will pave the way for the Authorities of the future.

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, for an increase in others and for an amalgamation or re-arrangement of duties in yet others. There are a number of departments. These include the Agricultural, Audit, Civil Aviation, Customs, Education, Forests, Geological Survey, Judicial, Lands and Surveys, Marine, Medical, Police, Posts and Telegraphs, Printing, Prisons, Public Works and Railway Departments. The Civil Aviation and Geological Survey Departments and the Judiciary are joint departments for the three British Borneo territories. Labour and Immigration were until 1st January, 1954 dealt with by a single department under a Commissioner of Immigration and Labour. As from the beginning of 1954 the department's title was altered to the Department of Labour and Welfare. It was intended that the immigration duties formerly undertaken should be handed over to the Police on that date, but because of staffing difficulties it was not possible to do this until 1st January, 1955. The Administrator-General performs the duties of Registrar of the High Court, Registrar of Companies, Custodian of Japanese Property, Registrar of Births and Deaths, and Official Receiver under the Companies Ordinance. In addition, he is responsible for handling patents and trade marks within the Colony, although the Registrar of Patents and Trade Marks in Singapore has been appointed Registrar for North Borneo. Consequent upon a decision taken in 1952 the Fisheries Department was closed early in 1953.

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. These include the Standing Finance Committee of the Legislative Council which consists of the Financial Secretary as *ex-officio* chairman, and five non-official members; the Standing Development Committee, composed of all non-official Members of the Legislative Council under the chairmanship of the Financial Secretary; the Central Town and Country Planning Board; the Labour Advisory Board; the Board of Trustees of the War Victims Fund; the Rubber Fund Board; the Scholarships Advisory Board; the Board of Education, constituted under the Education (Amendment) Ordinance, 1956, under the chairmanship of the Secretary for Local Government; the Liberation Educational Trust; the Kent College Advisory Council; and the Social Welfare Council. The Electricity Advisory Board was disbanded on 31st December, 1956 upon the constitution of a statutory Electricity Board with effect from 1st January, 1957.

In 1953 a standing conference of the British Borneo territories was established known as the Sarawak—North Borneo—Brunei Conference, with the object of studying and promoting consultation 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.

One meeting of the Conference was held during 1956, at Kuching. Several inter-territorial meetings were also held at a departmental level during the year.

Chapter 4: 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 tahl	=	$1\frac{1}{3}$ ounces	
16 tahils	=	1 kati	= $1\frac{1}{3}$ lb.
100 katis	=	1 pikul	= $133\frac{1}{3}$ lb.
40 pikuls	=	1 koyan	= $5,333\frac{1}{3}$ lb.

Measures of Capacity

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

Chapter 5: Reading List

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, 1954, 1955.*
Price \$1, \$1, \$2, \$2, \$2, \$2, \$2 and \$2 respectively.

Departmental Annual Reports

The Revised Edition of the Laws of North Borneo. Seven volumes.
Price per set \$125 (£14.11s.8d.). (Obtainable from the Govern-
ment 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.

No. 6. *A Checklist of the Forest Flora of North Borneo* by
G. H. S. Wood and J. Agama.

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 Tam-
bunan and Ranau, West Coast Residency*.

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

* (Only available at H.M. Stationery Office)

OTHER PUBLICATIONS OF GENERAL INTEREST

- BRUCE, CHARLES (A. B. C. Francis). *Twenty Years in Borneo*. Cassell, 1924.
- BURBRIDGE, F. W. *The Gardens of the Sun*. Murray, 1880.
- COLLENETTE, P. *The Coal Deposits and a Summary of the Geology of the Silimpopon Area, Tawau District, Colony of North Borneo*. Memoir No. 2 of the Geological Survey Department, British Territories in Borneo, Government Printing Office, Kuching, Sarawak, 1954.
- COOK, OSCAR (R.M.O.) *Borneo, Stealer of Hearts*. Hurst & Blackett, 1924.
- ENRIQUEZ, MAJOR C. M. *Kina Balu: The Haunted Mountain of Borneo*. Witherby, 1927.
- EVANS, I. H. N. *Among Primitive People in Borneo*. Service, 1922.
- EVANS, I. H. N. *Studies in Religion, Folk-lore and Customs in British North Borneo and the Malay Peninsula*. Cambridge Press, 1923.
- EVANS, I. H. N. *The Religion of the Tempasuk Dusuns of North Borneo*. Cambridge University Press, 1952.
- FITCH, F. H. *Tertiary to Recent Sea-Level Changes and their Effect on British Borneo Physiography*, reprinted from the 1953 Annual Report of the Geological Survey Department, British Territories in Borneo.
- FITCH, F. H. *Geology and Mineral Resources of part of the Segama Valley and Darvel Bay Area*. Government Printing Office, Kuching, Sarawak, 1955.
- GARRY, A. N. M. *Census Report B.N.B. (Chartered) Co.*, 1931.
- KEITH, AGNES. *Land Below the Wind*. Michael Joseph, 1939.
- KEITH, AGNES. *Three Came Home*. Michael Joseph, 1948.
- KEITH, AGNES. *White Man Returns*. McClelland & Stewart, Limited.
- KEPPEL, CAPT., the Hon. H., R.N. *The Expedition to Borneo of H.M.S. Dido*. 2 volumes. Chapman & Hall, 1847.
- PRYER, ADA. *A Decade in Borneo*. Hutchinson, 1894.
- REINHARD, M. and E. WENK. *Geology of the Colony of North Borneo*. Bulletin No. 1 of the Geological Survey Department, British Territories in Borneo, Her Majesty's Stationery Office, London, 1951.
- ROBSON, J. H. M. *A Bibliography of Malaya; also a short list of books relating to North Borneo and Sarawak*. Kuala Lumpur, 1939.
- ROE, F. W. *Underground Water Supplies in British Borneo*, reprinted from the 1953 Annual Report of the Geological Survey Department, British Territories in Borneo.

- ROTH, H. LING. *The Natives of Sarawak and British North Borneo*. 2 volumes. Truslove & Hanson, 1896.
- RUTTER, OWEN. *British North Borneo*. Constable, 1922.
- RUTTER, OWEN. *The Pagans of North Borneo*. Hutchinson, 1929.
- 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.

LIST OF NEWSPAPERS IN NORTH BORNEO

<i>Name</i>	<i>Language</i>	<i>Published by</i>	<i>Frequency</i>	<i>Price per copy</i>
North Borneo News and Sabah Times ...	English, Malay, Kadazan	The Sabah Publishing House, Jesselton.	Weekdays	10 cts.
Anak Sabah (Children's Newspaper) ...	English,	Information Office, Jesselton.	Monthly	30 cts.
Radio Sabah Calling ...	English, Chinese, Malay, Kadazan	Radio Sabah, Jesselton.	Fortnightly	30 cts.
Overseas Chinese Daily News ...	Chinese	The Sabah Publishing House, Jesselton.	Weekdays	10 cts.
Api Siang Pau ...	Chinese	Chung Nam Printing Co., Jesselton.	Weekdays	10 cts.
Borneo Times ...	Chinese	The Art Printing Co., Sandakan.	Weekdays	10 cts.

Table of Appendices

		PAGE
<i>Appendix</i>	I — Colonial Development and Welfare Grants and Expenditure ...	172
„	II — Labour Statistics ...	175
„	III — Rates of Estate Duty ...	177
„	IV — Estimated Acreages of the Colony's Main Crops ...	178
„	V — 1951 Census; General Literacy Rates per mile ...	179
„	VI — Education Statistics ...	180
„	VII — Medical — Government Institutions and Colony Medical and Health Staff ...	183
„	VIII — Record of Work of the Courts of the Colony ...	184
„	IX — Statement of Registered Companies	184
„	X — Police Statistics ...	185
„	XI — Prison Return ...	189
„	XII — Port Statistics ...	190
„	XIII — Passenger, Mail and Freight Statistics	191
„	XIV — List of Executive and Legislative Council Members ...	194

APPENDIX I

COLONIAL DEVELOPMENT AND WELFARE GRANTS
AND EXPENDITURE

DETAILS OF EXPENDITURE	Amount in Scheme	Actual Expenditure up to 1955	Revised Estimates 1956
	\$	\$	\$
CENTRAL ALLOCATION			
R.475, R.475A and B—Forestry Research	195,285	115,570	6,835
R.544—Soil Scientist	83,665	61,163	6,557
R.571—Plant Pathologist for Hemp Investigation	83,857	28,563	4,371
R.710—Appointment of Plant Pathologist to investigate diseases of Manila Hemp	119,178	—	29,003
R.711—Appointment of Soil Scientist	62,610	—	17,882
R.751—Appointment of Forest Botanist	79,755	—	32,812
D.1501 & D.1501A—Aeronautical Telecommunication	630,000	574,893	22,689
D.2036—Survey to Investigate Potential Rice Areas	147,929	89,629	9,454
D.2683—Purchase of British Broadcasting Corporation Transcriptions	4,286	—	2,143
NORTH BORNEO ALLOCATION			
D.797, D.797A to C—Drainage and Irrigation	1,213,894	1,006,767	50,449
D.979, D.979A & B—Forest Sur- veys and Silviculture	796,160	720,403	10,372
D.1158 & D.1158A—Road cons- truction	3,068,050	2,708,552	274,562
D.1158B—Road construction ...	1,026,450	—	589,950
D.1195 and D.1195A—Forestry Training	53,720	41,757	—
D.1271, D.1271A & B—Expansion of Veterinary Department ...	274,153	262,663	200
D.1384, D.1384A—Teachers Train- ing College	1,483,502	1,458,904	24,875
D.1406—Maternity and Child Welfare	310,200	229,214	—
D.1425 and D.1425A—Agricultural Expansion	275,657	229,704	7,444
D.1529—Hill Crop Agricultural Services	48,257	40,255	1,521
D.1531—Medical Dispensary and Health Launch Service ...	43,885	13,394	—
D.1571—Farm School, Tuaran ...	106,757	20,853	23,332

APPENDIX I—(cont.)

DETAILS OF EXPENDITURE	Amount in Scheme	Actual Expenditure up to 1955	Revised Estimates 1956
	\$	\$	\$
NORTH BORNEO ALLOCATION—(cont.)			
D.1578—Papar-Benoni Irrigation ...	88,000	86,483	—
D.1646 & D.1646A—Sandakan Hospital	1,247,143	1,239,976	—
D.1722—Kudat Hospital ...	409,715	400,924	—
D.1727, D.1727A and B—Feeder Air Services	413,838	399,277	13,328
D.1777 and D.1777A—Papar- Benoni Irrigation (North and South Banks)	915,000	915,000	—
D.1791—Hospital Equipment ...	144,070	139,024	—
D.1800—Stock Development Officer	110,185	97,266	—
D.1829—Tuaran Water Supply ...	210,000	183,843	6,000
D.1835—Broadcasting	250,717	185,769	13,809
D.1878—Construction of Keningau Hospital	392,000	27,951	280,000
D.1885—Training of Agricultural Subordinates	12,951	8,926	—
D.1908—Fresh Water Fish Culture	73,226	50,143	—
D.1910 & D.1910A—Pilot Scheme for settlement of Hill Natives in North Borneo	37,400	35,340	2,049
D.1913—Padi Experiments ...	243,552	128,130	54,383
D.1918 & D.1918A—Reclamation of Swamp Area, Jesselton ...	212,650	212,580	70
D.1939—Soil Scientist	167,323	122,326	—
D.1950 & 1950A—Klias Peninsula Drainage	234,000	222,491	11,509
D.1969—Subsistence Allowance for Experts loaned under the Co- lombo Plan	78,429	42,480	—
D.1970 & D.1970A—Reclamation of Swamp Area at Batu Tiga ...	434,370	434,370	—
D.1988 and D.1988A—Construc- tion of Jesselton Hospital ...	2,082,000	699,378	568,071
D.2038 & D.2038A—Improvement and Extension of Bridle Paths ...	436,500	436,308	80
D.2102—Drainage & Irrigation, Tuaran	650,000	568,667	50,000
D.2116—Pilot Project for Improve- ment of Livestock at Keningau	23,125	11,379	2,177
D.2128—Removal of Trade School to Jesselton	120,000	109,155	10,844
D.2161—Resettlement of Hill Du- suns, Paginatan, Ranau District	12,675	3,867	519

APPENDIX I—(cont.)

DETAILS OF EXPENDITURE	Amount in Scheme	Actual Expenditure up to 1955	Revised Estimates 1956
	\$	\$	\$
NORTH BORNEO ALLOCATION—(cont.)			
D.2191—Resettlement of Hill Natives, Labuk District	18,550	7,051	6,515
D.2198—Mechanisation of Trade Statistics	86,768	62,183	1,282
D.2209 and D.2209A—Reclamation North of Jesselton Wharf ...	417,000	178,901	173,099
D.2305 and D.2305A—Improvement of Public Works Department Workshops	530,000	98,523	60,000
D.2344—Appointment of Ecologist	33,857	—	—
D.2352—Malaria Control Project	183,083	40,618	64,484
D.2459—Sorob Cattle Farm ...	79,855	56,774	789
D.2465—Plant for the Construction of Jeep Tracks and Earth Roads	296,000	266,965	29,035
D.2634—Construction of Tuberculosis Wards at Jesselton ...	497,142	3,013	31,986
D.2670—Government Secondary School (Technical)	1,356,991	—	12,276
D.2674—Government Primary Schools	622,125	—	117,000
D.2733—Construction of Town Roads and Drainage	2,263,050	—	940,500
D.2870—Road Construction and Improvements	4,166,396	—	905,402
D.2879—Rebuilding and Expansion of Tenom Hospital ...	288,437	—	—
D.2938—Construction of Tuberculosis Wards at Sandakan ...	373,500	—	—
D.2991—Extension of Kent College	570,602	—	40,500
TOTAL ...	\$30,889,475	\$15,277,365	\$4,510,158

APPENDIX II

LABOUR STATISTICS

A—WORKERS EMPLOYED BY EMPLOYERS OF 20 OR MORE WORKERS

Number of Workers	Chinese	Indonesians	Natives	Others	Total
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
At 31st Dec., 1955 ...	5,243	3,846	13,679	1,614	24,382
At 31st Dec., 1956 ...	5,230	6,026	14,110	1,705	27,071
<i>Percentage of total at:</i>					
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
31st Dec., 1955 ...	21.5	15.78	56.1	6.62	100
31st Dec., 1956 ...	19.32	22.26	52.12	6.3	100

B—DISTRIBUTION OF LABOUR BY OCCUPATIONAL GROUPS

Occupational Groups	No. of workers at 31-12-56					
Type of Employment	Places of Employment	Chinese	Indo-nesians	Natives	Others	Total
Estates ...	56	1,177	4,107	5,989	733	12,006
Industry and Commerce ...	125	3,449	1,751	4,835	844	10,879
Government ...	83	604	168	3,286	128	4,186
TOTAL ...	264	5,230	6,026	14,110	1,705	27,071

APPENDIX II—(cont.)

C—ESTATE WORK—NUMBER OF WORKERS AT 31-12-56

Type of Estate	Places of Employment	Chinese	Indo-nesians	Natives	Others	Total
Rubber	49	820	2,415	5,622	49	8,906
Hemp	4	186	924	111	289	1,510
Tobacco	1	151	664	246	387	1,448
Cocoa	1	—	43	—	6	49
Copra	1	20	61	10	2	93
TOTAL	56	1,177	4,107	5,989	733	12,006

D—INDUSTRIAL AND COMMERCIAL ENTERPRISES

Type of Undertaking	NUMBER OF WORKERS AT 31-12-56					
	Number of Registered Employers	Chinese	Indo-nesians	Natives	Others	Total
Timber-logging, saw-milling, firewood-cutting, etc. ...	53	1,522	1,483	3,972	668	7,645
Wholesale trading, grading, packing, ware-housing, stevedoring, transportation, etc. ...	17	315	61	269	122	767
Building and other construction ...	29	1,031	35	288	13	1,367
Fishing	3	79	125	9	10	223
Miscellaneous ...	23	502	47	297	31	877
TOTAL	125	3,449	1,751	4,835	844	10,879

E—LABOUR DISPUTES, 1956

No. of cases	No. of workers	No. of men/days lost
9	408	1,142

APPENDIX III

RATES OF ESTATE DUTY

<i>Where the principal value of the estate</i>		<i>At the rate per centum of</i>	
	\$	\$	
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 IV

ESTIMATED ACREAGES OF THE COLONY'S MAIN CROPS

District	Rubber	Coconuts	Wet Padi	Dry Padi	Hemp
WEST COAST					
Kudat	6,790	19,500	1,952	2,660	—
Kota Belud—Ranau	394	200	8,100	5,530	—
Tuaran—Tenghilan	7,378	400	5,000	1,900	—
Jesselton—Inanam	12,806	100	1,500	200	—
Penampang—Putatan	4,972	250	5,300	300	—
Papar	21,755	150	6,800	300	—
	54,095	20,600	28,652	10,890	—
EAST COAST					
Labuk and Sugut	156	300	1,053	3,361	—
Sandakan	11,931	5,000	—	—	—
Kinabatangan	583	500	31	933	—
Lahad Datu—Tungku	3,353	6,000	—	1,366	—
Semporna—Tawau	13,528	8,000	81	40	4,000
	29,551	19,800	1,165	5,700	4,000
LABUAN AND INTERIOR					
Keningau	1,148	10	3,300	1,200	—
Tambunan	83	—	4,000	1,800	—
Tenom	9,500	—	700	1,600	—
Beaufort	23,515	500	3,500	300	—
Kuala Penyu	3,138	2,500	850	100	—
Sipitang	6,153	460	1,100	1,450	—
Labuan and Mempakul	1,214	1,500	930	400	—
Pensiangan	80	—	—	4,500	—
	44,831	4,970	14,380	11,350	—
GRAND TOTAL	128,477	45,370	44,197	27,940	4,000

APPENDIX V

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 VI

EDUCATION STATISTICS

A—ANALYSIS OF PUPILS BY RACE AND NATIONALITY

COLUMN I		COLUMN II			
EUROPEAN	...	European	...	65	
		Eurasian	...	163	
		TOTAL	...	—	228
DUSUN	...	Dusun	...	5,131	
		Kwijau	...	74	
		TOTAL	...	—	5,205
MURUT	...	Murut	...	817	
				—	817
BAJAU	...	Bajau	...	1,409	
		Illanun	...	40	
				—	1,449
OTHER INDIGENOUS	...	Orang Sungei	...	194	
		Brunei & Kedayan	...	2,020	
		Bisaya	...	287	
		Sulu	...	206	
		Tidong	...	38	
		Sino-Native	...	652	
				—	3,397
CHINESE	...	Hakka	}		
		Cantonese			
		Hokkien			
		Teochew		20,149	20,149
		Hailam			
		Other Chinese			
	OTHERS	...	899	899	
	GRAND TOTAL	...		—	32,144

APPENDIX VI—(cont.)

B—ENROLMENT BY STAGES, 1946 — 1956

Year	Primary	Secondary	Total
1946	10,268	—	10,268
1947	13,959	93	14,052
1948	15,610	242	15,852
1949	17,705	315	18,020
1950	19,140	484	19,624
1951	20,738	650	21,388
1952	21,953	1,038	22,991
1953	22,498	1,607	24,105
1954	24,426	1,994	26,420
1955	24,771	2,070	*26,841
1956	29,967	2,013	*31,980

* Excluding Kent College and the Trade School.

* * *

C—PROPORTION OF BOYS TO GIRLS, 1947 — 1956

Year	Boys	Girls	Total
1947	10,579	3,473	14,052
1948	11,658	4,194	15,852
1949	13,021	4,999	18,020
1950	14,033	5,591	19,624
1951	15,074	6,314	21,388
1952	15,942	7,049	22,991
1953	16,879	7,226	24,105
1954	18,428	7,992	26,420
1955	18,437	8,562	26,999
1956	21,792	10,352	32,144

* * *

D—NUMBER OF REGISTERED TEACHERS, 1948 — 1956

Year	Men	Women	Total
1948	409	129	538
1949	552	209	761
1950	664	283	947
1951	754	363	1,117
1952	858	445	1,303
1953	987	538	1,525
1954	1,059	598	1,657
1955	1,227	582	1,809*
1956	688	328	1,016†

* Of this total 969 were in employment as teachers.

† A revised system has been introduced whereunder registration of an unqualified teacher is cancelled when he ceases to be employed as a teacher.

APPENDIX VI—(cont.)

E—NUMBER OF SCHOOLS OPEN, 1946 — 1956

Year		Govt.	Mission	Chinese	Others	Total
1946	...	48	43	51	2	144
1947	...	60	45	52	8	165
1948	...	66	56	63	8	193
1949	...	65	58	73	8	204
1950	...	70	59	77	12	218
1951	...	71	58	82	8	219
1952	...	73	62	86	7	228
1953	...	70	68	81	14	233
1954	...	80	67	81	21	249
1955	...	84*	69	79	30	262
1956	...	86*	69	81	46	282

* Includes Kent College and the Trade School.

* * *

F—ENROLMENT ALL SCHOOLS, 1946 — 1956

Year		Govt.	Mission	Chinese	Others	Total
1946	...	2,706	3,160	4,402	—	10,268
1947	...	3,304	4,661	5,868	219	14,052
1948	...	3,920	5,767	5,955	210	15,852
1949	...	3,811	6,601	7,406	202	18,020
1950	...	3,904	7,019	8,489	212	19,624
1951	...	4,044	8,016	9,028	300	21,388
1952	...	4,310	8,790	9,479	412	22,991
1953	...	4,739	9,167	9,361	838	24,105
1954	...	5,776	9,764	9,800	1,080	26,420
1955	...	6,168*	9,596	10,130	1,105	26,999
1956	...	6,905*	10,867	12,479	1,893	32,144

* Includes Kent College and the Trade School.

APPENDIX VII

MEDICAL

A—INSTITUTIONS (GOVERNMENT)	Number of Institutions	Number of beds
1. Hospitals:		
(a) General hospitals (institutions equipped to deal adequately with all general medical and surgical cases)	2	320
(b) Cottage hospitals or infirmaries (smaller institutions equipped to handle only lighter cases, more severe cases being referred to general hospital)	5	301
2. Dispensaries (institutions for treatment mainly of outpatients):		
(a) Exclusively for outpatients ...	18	—
(b) Having beds for lighter cases to be referred to general hospital ...	12	177
	In General Hospital	In dispensary As separate unit
3. Specialised units:		
(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. Mobile units:	4	8

* * *

B — MEDICAL AND HEALTH STAFF

	Govern- ment	Missions	Others
Registered Physicians	13	1	29
Nursing Sisters	6	3	1
Staff Nurses	15	—	—
Trained Nurses	18	—	1
Probationer Nurses	26	—	—
Government Hospital Assistants	14	—	—
Trained Dressers	87	—	52
Probationer Dressers	38	—	—
Certified Midwives	37	3	49
Health Inspectors,	15	—	—
	269	7	132

APPENDIX VIII

RECORD OF WORK OF THE COURTS OF THE COLONY

A—A COMPARATIVE STATEMENT OF CASES DEALT WITH
DURING 1955 AND 1956 BY THE HIGH COURT

	Criminal		Civil	
	1955	1956	1955	1956
1. Original Jurisdiction	53	48	105	127
2. Revisional	24	9	4	3
3. Appeals from Magistrates' Courts ...	32	44	12	10
4. Appeals to the Court of Appeal ...	5	12	3	13
5. Appeals from Director of Lands and Surveys and Assistant Collectors of Land Revenue	—	—	1	3
6. Appeals from Urban Authorities ...	—	—	2	1
7. Probate and Administration ...	—	—	28	39
8. Miscellaneous Suits	—	—	30	42
	114	113	185	238

* * *

B—ORIGINAL JURISDICTION

	CRIMINAL				CIVIL			
	1955		1956		1955		1956	
	Cases tried	Persons convicted	Cases tried	Persons convicted	No. of Suits	Value \$	No. of Suits	Value \$
High Court	53	48	48	54	105	239,068	127	431,908
Magistrates' Courts	2,445	2,467	2,579	2,439	622	101,410	507	72,975
	2,498	2,515	2,627	2,493	727	340,478	634	504,883

* * *

APPENDIX IX

COMPARATIVE STATEMENT OF COMPANIES REGISTERED
DURING 1955 AND 1956

	1955	1956	Total Number of Companies on the Register at at 31.12.56
Companies Incorporated outside the Colony	11	14	115
Companies Incorporated in the Colony ...	—	—	30
Companies dissolved or having ceased to carry on business in the Colony ...	2	2	—

APPENDIX X
POLICE STATISTICS

A—CASES UNDER THE PENAL CODE REPORTED TO AND DEALT WITH BY THE POLICE

DISPOSAL OF CASES

OFFENCES	Total Cases Reported	Cases Rejected	Total Accepted Cases	Accused Dead or Insane	Acquitted or Discharged	Nolle Prosequi	Convicted	Compounded or order made without Conviction	Undetected	Under Investigation	Pending Trial	DISPOSAL OF CASES		
												Total Accepted Cases	Total Cases Reported	
AGAINST LAWFUL AUTHORITY														
Against Public Order	11	—	11	—	—	—	11	—	—	—	—	—	—	—
Giving False Evidence	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Escape and Rescue	16	—	16	—	—	—	14	—	2	—	—	—	—	—
Rioting and Unlawful Assemblies	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others	22	3	19	—	—	—	19	—	—	—	—	—	—	—
AGAINST PUBLIC MORALITY														
Rape	3	2	1	—	—	1	—	—	—	—	—	—	—	—
Assaults (outrage modesty)	12	1	11	—	3	—	5	—	3	—	—	—	—	—
Unnatural Offences	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others	7	—	7	—	2	—	5	—	—	—	—	—	—	—
AGAINST THE PERSON														
Murder	9	3	6	1	2	—	3	—	—	—	—	—	—	—
Culpable homicide and causing death	7	1	6	—	1	—	4	—	—	—	1	—	—	—
Attempted Murder	8	3	5	1	—	—	3	—	1	—	—	—	—	—
Attempted Suicide	8	2	6	2	—	—	4	—	—	—	—	—	—	—
Hurts	57	5	52	—	3	—	41	1	7	—	—	—	—	—
Assaults	20	3	17	—	2	—	14	1	—	—	—	—	—	—
Others	5	3	2	—	1	—	—	—	—	—	—	—	—	—
AGAINST PROPERTY														
Robbery and Gang Robbery	6	1	5	—	—	—	4	—	1	—	—	—	—	—
Extortion	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Housebreaking	28	—	28	—	2	—	13	—	13	—	—	—	—	—
Thefts	475	45	430	—	13	—	158	—	259	—	—	—	—	—
Misappropriation, Breach of Trust, Cheating	57	7	50	—	5	—	40	—	5	—	—	—	—	—
Receiving Stolen Property	23	2	21	1	5	—	15	—	—	—	—	—	—	—
Mischief by Fire	2	1	1	—	—	—	—	—	—	—	—	—	—	—
Others	22	4	18	—	4	—	10	—	4	—	—	—	—	—
OTHER PENAL CODE OFFENCES														
Forgery	9	—	9	—	—	—	8	—	—	—	—	—	—	—
Counterfeiting	3	1	2	—	—	—	1	—	—	—	—	—	—	—
Others	4	2	2	—	1	—	—	—	—	—	—	—	—	—
GRAND TOTAL	814	89	725	5	44	1	373	2	299	—	1	—	—	1

APPENDIX X—(cont.)

C—CASES REPORTED AND DISPOSAL OF PERSONS FOR OFFENCES AGAINST THE LAWS OF THE COLONY OTHER THAN THE PENAL CODE

ORDINANCE	Total Cases Reported	Cases Rejected	Convicted	Acquitted or Discharged	Undetected	Pending trial or under investigation	DISPOSAL OF PERSONS CONVICTED																	
							IMPRISONMENT		WHIPPING		FINE		Warned by Court or Bound over											
							Juvenile	Juvenile	Juv.	Juvenile	Juvenile	Juvenile	Juvenile	Juvenile										
	M	F	M	F	M	F	M	F	M	F	M	F	M	F										
Road Traffic ..	1,855	952	825	75	1	2	726	9	106	8	—	—	—	—	716	9	104	8	10	—	2	—		
Arms and Explosives ..	15	7	7	1	—	—	6	—	1	—	4	—	—	—	2	—	—	1	—	—	—	—	—	
Gaming ..	28	1	26	1	—	—	59	1	—	—	5	—	—	—	54	—	—	—	—	—	—	1	—	
Immigration and Passports ..	159	10	135	11	3	—	259	12	81	7	199	4	64	1	58	1	12	2	2	2	7	5	4	
Minor Offences ..	560	66	475	15	4	—	406	36	43	4	4	—	—	—	393	33	41	3	9	3	2	1	—	
Opium and Chandu ..	63	5	54	4	—	—	77	2	—	—	53	—	—	—	13	2	—	—	—	11	—	—	—	
Sedition ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Undesirable Publications ..	5	3	2	—	—	—	2	—	—	—	2	—	—	—	—	—	—	—	—	—	—	—	—	—
Municipal and Urban Authorities ..	15	1	12	2	—	—	8	2	2	—	—	—	—	—	8	2	2	—	—	—	—	—	—	—
Others ..	176	20	142	11	3	—	194	2	36	2	45	—	17	1	147	2	19	—	2	—	—	—	—	1
GRAND TOTAL ..	2,876	1,065	1,678	120	11	2	1,737	64	269	21	312	4	81	2	1,391	49	179	13	34	11	9	6	—	—

APPENDIX XI

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.	Death sentence.	For detention	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 PRISON	138	—	68	70	4	—	8	11	12	14	19	2	4	2	7	74.15	1.29	37	—	—	3	3
LOCAL LOCK-UPS:—																						
Sandakan	137	—	52	85	—	—	1	1	25	48	9	1	—	—	—	35.14	.43	—	—	—	—	—
Tuaran	17	—	5	12	—	—	—	—	2	1	7	2	—	—	—	1.60	—	—	—	—	—	—
Beaufort	39	—	24	15	—	—	—	—	1	5	9	—	—	2	—	3.37	.06	1	—	—	—	—
Keningau	6	—	2	4	—	—	—	—	1	2	1	—	1	—	—	.98	—	—	—	—	—	—
Kota Belud	70	—	30	40	—	1	1	3	5	5	18	8	—	1	3	4.64	.39	—	—	—	—	—
Ranau	12	—	3	9	—	—	—	2	1	1	3	1	—	—	—	1.99	—	—	—	—	—	—
Tenom	35	—	17	18	—	—	—	—	—	2	5	11	—	—	1	1.79	—	—	—	—	—	—
Kudat	186	—	75	111	—	—	1	1	18	54	21	16	4	2	—	14.34	.36	17	—	—	1	1
Beluran	9	—	3	6	—	—	—	—	2	3	1	—	1	—	—	.34	—	—	—	—	—	—
Tawau	202	2	37	163	—	—	2	—	16	48	66	31	5	9	1	20.31	1.31	6	—	—	—	—
Lamag	6	—	3	3	—	—	—	—	1	2	—	—	—	—	—	1.51	—	—	—	—	—	—
Tambunan	7	—	1	6	—	—	—	—	4	1	—	1	—	—	—	.18	.05	—	—	—	—	—
Labuan	29	—	12	17	—	—	—	—	2	3	3	9	2	—	—	2.58	.03	—	—	—	—	—
Papar	31	—	8	23	—	—	1	—	—	3	13	6	—	1	—	3.43	.21	—	—	—	—	—
Lahad Datu	91	—	9	82	—	—	2	3	16	20	36	5	4	—	—	15.38	.36	—	—	—	—	—
Pensiangan	3	—	—	3	—	—	—	—	—	1	1	1	—	—	—	.40	—	—	—	—	—	—
TOTAL	1,018	2	349	667	4	1	16	21	106	213	212	94	21	16	13	182.13	4.49	61	—	—	4	4
Men	972	2	330	641	4	—	16	20	106	207	199	89	21	16	13	178.26	4.47	61	—	—	4	4
Women	37	—	13	24	—	1	—	1	—	6	13	3	—	—	—	3.03	.02	—	—	—	—	—
Juvenile—Boys	8	—	6	2	—	—	—	—	—	—	—	2	—	—	—	.80	—	—	—	—	—	—
Girls	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	.04	—	—	—	—	—	—

APPENDIX XII

PORT STATISTICS

Ports	SHIPPING		CARGO HANDLED IN TONS		PASSENGERS						
	Gross Tons		Wharf		Total		Embarked	Disembarked			
	1955	1956	1955	1956	1955	1956	1955	1956			
Sandakan	...	1,309,752	1,331,289	81,416	117,160	303,357	347,795	6,129	5,396	8,495	8,168
Labuan	...	1,136,960	1,231,226	68,148	77,628	206,746	208,966	8,247	12,073	10,269	13,006
*Tawau	...	281,021	403,656	56,072	88,796	68,081	99,943	6,944	9,725	9,354	12,499
*Wallace Bay	...	361,931	404,211	—	—	71,698	71,974	—	—	—	—
†Lahad Datu	...	98,167	272,401	8,116	9,579	8,161	20,054	3,298	3,181	3,404	3,838
†Kennedy Bay	...	274,935	187,513	—	—	40,772	33,129	—	50	—	32
†Bohian Island	...	215,666	103,266	—	—	34,734	27,514	—	—	—	—
Jesselton	...	477,635	529,427	77,497	84,821	79,522	86,359	4,595	5,964	7,593	8,591
Kudat	...	297,694	307,134	17,315	24,459	22,984	28,704	2,278	2,610	3,488	3,521
Semporna	...	71,528	220,128	3,206	2,954	5,552	9,980	1,544	1,923	1,413	1,832
Miscellaneous	...	15,508	8,865	1,487	1,573	1,994	1,975	222	194	319	260
TOTAL	...	4,540,797	4,999,116	313,257	406,970	843,601	936,393	33,257	41,116	44,335	51,747
Increase	458,319	...	93,713	...	92,792	...	7,859	...	7,412
Decrease	—	...	—	...	—	...	—	...	—

* } Grouped together in previous Reports.
† }

APPENDIX XIII

CIVIL AVIATION: PASSENGER, MAIL AND FREIGHT STATISTICS

A.—MAJOR AIRFIELDS

AIRFIELD	PASSENGERS			FREIGHT (KILOS)			MAIL (KILOS)		
	Embarked	Disembarked	Transit	Picked Up	Set Down	Transit	Picked Up	Set Down	Transit
Labuan ...	12,265 (11,794)	11,818 (9,893)	7,868 (6,277)	153,947 (149,838)	159,779 (167,331)	148,812 (175,216)	13,531 (11,983)	43,841 (35,871)	48,134 (51,680)
Jesselton ...	7,209 (6,919)	7,741 (7,067)	1,690 (1,919)	58,264 (55,850)	83,257 (71,496)	416,670 (50,115)	15,214 (13,062)	13,903 (13,853)	10,258 (10,958)
Sandakan ...	4,106 (3,475)	3,729 (3,981)	—	23,818 (15,170)	55,894 (36,610)	—	8,627 (11,546)	13,963 (27,820)	—
	23,580 (22,188)	23,287 (20,941)	9,558 (8,196)	236,029 (220,858)	298,930 (275,437)	190,482 (225,331)	37,372 (36,591)	81,707 (77,544)	58,392 (62,638)

NOTE:— Figures in brackets are in respect of 1955.

APPENDIX XIII—(cont.)

CIVIL AVIATION: PASSENGER, MAIL AND FREIGHT STATISTICS

B.—INTERNAL FEEDER SERVICE

AIRFIELD	PASSENGERS				FREIGHT (KILOS)				MAIL (KILOS)			
	Embarked	Disembarked	Transit	Transit	Picked Up	Set Down	Transit	Transit	Picked Up	Set Down	Transit	Transit
Labuan	3,201 (2,393)	3,189 (3,343)	—	—	53,967 (42,602)	23,839 (23,072)	—	—	18,002 (20,042)	9,041 (11,727)	—	—
Jesselton	2,026 (1,788)	2,216 (2,010)	—	—	126,528 (88,542)	60,545 (55,624)	—	—	2,730 (2,580)	1,722 (1,406)	—	—
Sandakan	1,151 (617)	1,306 (638)	—	—	11,639 (4,720)	2,944 (2,206)	—	—	6,432 (3,599)	3,300 (2,553)	—	—
Ranau	888 (753)	928 (786)	—	—	55,638 (52,923)	121,652 (81,278)	—	—	298 (305)	421 (337)	—	—
Tawau	1,021 (453)	902 (421)	—	—	1,736 (1,542)	6,971 (4,157)	—	—	2,117 (1,606)	4,969 (3,266)	—	—
Kudat	703 (501)	606 (501)	55	—	1,464 (2,136)	6,274 (3,564)	—	—	954 (1,313)	1,513 (1,859)	—	—
Keningau	698 (559)	601 (570)	9	—	3,931 (6,636)	7,545 (11,922)	1,750 (427)	—	312 (427)	284 (426)	—	—
Lahad Datu	888 * (56)	821 (44)	783	—	1,174 (41)	4,549 (227)	—	—	991 (59)	1,566 (77)	—	—
	10,576 (7,120)	10,569 (7,313)	847	—	256,077 (199,142)	244,319 (182,050)	1,750 (427)	—	31,836 (29,931)	22,816 (21,651)	—	—

* In 1955, Lahad Datu airfield was open only during January and February.

APPENDIX XIII—(cont.)

AIRCRAFT MOVEMENT STATISTICS

AIRFIELD	FEEDER SERVICE		OTHER CIVIL		MILITARY		TOTAL	
	In	Out	In	Out	In	Out	In	Out
Labuan	918 (680)	917 (680)	1,855 (1,779)	1,857 (1,781)	773 (760)	772 (759)	3,546 (3,219)	3,546 (3,220)
Jesselton	720 (633)	720 (633)	689 (673)	687 (673)	12 (32)	12 (32)	1,421 (1,338)	1,419 (1,338)
Sandakan	391 (267)	392 (265)	280 (297)	280 (296)	14 (47)	14 (48)	685 (611)	686 (609)
Kudat	214 (200)	214 (200)	—	—	—	—	214 (200)	214 (200)
Ranau	408 (302)	408 (302)	—	—	—	—	408 (302)	408 (302)
Keningau	228 (209)	228 (209)	—	—	—	—	228 (209)	228 (209)
Tawau	187 (111)	187 (111)	—	—	—	—	187 (111)	187 (111)
Lahad Datu	313 (25)	313 (25)	—	—	—	—	313 (25)	313 (25)

NOTE:—(i) Lahad Datu airfield was closed from February to December, 1955.

(ii) Figures in brackets are in respect of 1955.

APPENDIX XIV

A — MEMBERS OF THE EXECUTIVE COUNCIL AS AT THE END OF 1956

	His Excellency the Governor (SIR ROLAND EVELYN TURNBULL, K.C.M.G.)
	The Honourable the Chief Secretary (MR. R. N. TURNER, C.M.G.)
”	” the Acting Attorney-General (MR. A. D. FARRELL)
”	” the Financial Secretary (MR. A. N. GOODE, O.B.E.)
”	” MR. G. L. GRAY, O.B.E. (Secretary for Local Government)
”	” MR. J. MITCHELL, C.B.E.
”	” O.K.K. DATU MUSTAPHA BIN DATU HARUN
”	” MR. M. F. L. HAYMES
”	” MR. PHILIP LEE TAU SANG, O.B.E.

B — MEMBERS OF THE LEGISLATIVE COUNCIL AS AT THE END OF 1956

President:

His Excellency the Governor (SIR ROLAND EVELYN TURNBULL, K.C.M.G.)

Ex-officio Members:

	The Honourable the Chief Secretary (MR. R. N. TURNER, C.M.G.)
”	” the Acting Attorney-General (MR. A. D. FARRELL)
”	” the Financial Secretary (MR. A. N. GOODE, O.B.E.)

Official Members:

	The Honourable MR. G. L. GRAY, O.B.E. (Secretary for Local Government)
”	” MR. R. M. WOOD (Director of Public Works)
”	” MR. J. M. WILSON (Director of Education)
”	” DR. L. J. CLAPHAM (Director of Medical Services)
”	” MR. J. H. MACARTNEY (Acting Commissioner of Labour and Welfare)
”	” MR. J. B. ATKINSON (Commissioner of Police)
”	” O.K.K. MOHD. YASSIN BIN HAJI HASHIM, O.B.E.
”	” MR. J. S. CHISHOLM (Resident, Designate, West Coast)

Nominated Members:

	The Honourable MR. PHILIP LEE TAU SANG, O.B.E.
”	” MR. J. MITCHELL, C.B.E.
”	” O.K.K. DATU MUSTAPHA BIN DATU HARUN
”	” MR. KHOO SIAK CHIEW
”	” MR. D. A. STEPHENS
”	” MR. M. F. L. HAYMES
”	” MR. CHIEW VUI KIET
”	” ENCHE FADZIL BIN ASMAD
”	” MR. E. JAIMI GUNSANAD
”	” MR. D. P. WILLIAMS

