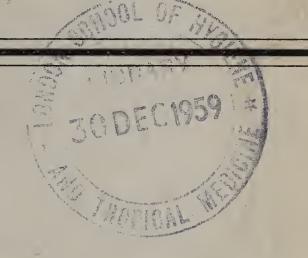


North Borneo 1958



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PART I

General Review

HIS Excellency the Governor, Sir Roland Turnbull, K.C.M.G., administered the Government of the Colony in 1958, except for a period of short leave from the 9th September to the 13th October, which His Excellency took outside North Borneo. During this period, in the absence of the Chief Secretary, Mr. R. N. Turner, C.M.G., in the United Kingdom, the Acting Chief Secretary, Mr. G. L. Gray, C.M.G., O.B.E., administered the Government. It was announced at the close of the year that Her Majesty The Queen had approved the extension of His Excellency's term of office as Governor of the Colony for a further year from March, 1959.

The news that His Royal Highness Prince Philip The Duke of Edinburgh would visit North Borneo during the course of his tour of South-East Asia and the Pacific early in 1959 was received with great enthusiasm throughout the Colony amongst all communities, and preparations for the Royal Visit were well in hand at the close of the year.

The Commander-in-Chief Far East Land Forces visited the Colony in July. Discussions took place between the Army authorities and the Government regarding the use of open country in the Kota Belud District in the West Coast Residency as a training area for British Army units stationed in Malaya and Singapore. The first Army units are expected to arrive during the first half of 1959.

The subject of Closer Association between the three territories of North Borneo, Brunei and Sarawak, which has been under consideration for many years, was thrown open for public discussion in North Borneo and Sarawak by the Governors of the two territories in simultaneous broadcasts early in February, 1958. Meetings of Town Boards, Local Authorities, Residency and District Teams were convened for the purpose of explaining the matter, and, after public opinion had had time to form, further meetings were arranged at which the opportunity was given for full and frank discussion. It was made clear that only the principle of Closer Association was under consideration and that Government had deliberately refrained from preparing any detailed blueprint, it being the intention that this should be dependent on whether or not public reactions were sufficiently favourable to the idea itself to warrant further examination. As a corollary to this, it was also made clear that there was no question of the peoples of North Borneo being asked, at the present stage, to

commit themselves to the acceptance of Closer Association, but that two straightforward and simple questions were being asked, namely, (1) Is the idea of Closer Association so unacceptable that it should be rejected out of hand? and (2) Or does it offer sufficient opportunity for good that it should be examined in detail? Government's assessment of the public reactions to the proposal was that, by and large, the great majority of all races and classes in the community gave, through their spokesmen and organisations, a "No" answer to the first of these questions and a "Yes" answer to the second. Naturally, as was only to be expected, there were many reservations and hesitations on points of detail; and it is significant in these days when "Colonialism" is such a popular target for attack in some quarters that a genuine fear was expressed in one way or another throughout the territory, lest, despite assurances that had been given, Closer Association should result in any weakening of the ties with Her Majesty's Government, and a genuine desire that Her Majesty's Government should remain indefinitely as a fourth partner, in any form of Closer Association, or Federation, that might be devised, to see "fairplay". On the 10th April, the subject of Closer Association was debated in the Legislative Council and the following resolution was carried unanimously:— "Whereas in the opinion of this Council, the peoples of North Borneo welcome in principle the proposal for the closer constitutional association of the three territories of North Borneo, Brunei and Sarawak: Be it resolved that the Council do recommend that the agreement of the Governments of Brunei and Sarawak be sought for the joint examination of the proposal by a body of persons drawn from all three territories, with a view to the preparation of detailed proposals, including any necessary safeguards for the individual territories, such as thereafter might be considered by the three Governments severally." In December, a Committee was appointed to conduct further enquiry into the implications of closer association jointly with a Committee appointed for the same purpose in Sarawak. The North Borneo Committee consisted of three Official and six Unofficial Members of the Legislative Council.

In pursuance of existing policy, the Ninth Inter-Territorial Conference was held in Brunei, at the invitation of His Highness the Sultan, in March under the Chairmanship of the Commissioner-General for the United Kingdom in South-East Asia. His Highness the Sultan and the Governors of North Borneo and Sarawak, together with their staffs, supported by unofficial representatives, attended the Conference, at which many items of common interest to the three territories were discussed.

In accordance with a major policy decision taken in 1957, action was taken to implement a scheme to permit a limited number of selected and sponsored Chinese immigrants from Hong

Kong, who are related to families already settled in North Borneo, to enter the Colony as agricultural workers, with the prospect of being granted permanent residence in the event of their work and conduct proving to be satisfactory. The progress of the scheme, however, has proved slower than had been anticipated, and the reasons for this are currently under examination. Under the new arrangements, skilled artisans from Hong Kong, who have been admitted to the Colony on temporary permits, can be permitted, subject to satisfactory conduct, to remain permanently in the Colony. Many have availed themselves of the opportunity to do so.

Native inhabitants of the Philippines, Timor and the Celebes arriving in small vessels engaged in the barter trade still continued to seek work in North Borneo and some 3,000 entered the Colony in 1958. While the majority of these workers remain on the East Coast, many have now found employment on the West Coast, particularly on rubber estates.

The economic development of the Colony since the war has been retarded by the shortage of labour, but in 1958, for the first time, the supply of labour approached saturation point and was, to all intents and purposes, sufficient to meet all existing demands.

The estimated population of the Colony at the end of 1958 was 416,000.

It is by no means unusual for visitors to North Borneo, some of whom come with pre-conceived notions of the primitive conditions which they will find awaiting them, to express astonishment and admiration at the manner in which the major towns of the Colony are laid out and at the modern buildings which have sprung, and are springing, into being. Out of the evil of the utter devastation which the major towns of the Colony suffered during the war came the opportunity to plan entirely afresh. After more than ten years of patient and persistent reconstruction the new towns have largely taken shape. The metamorphosis, particularly within the last five years, has been remarkable; within this period the "atap" (thatch) buildings erected immediately after the war have given way almost entirely to new permanent structures in concrete. Jesselton, Sandakan, Tawau and Labuan are now buoyant and busy towns which compare favourably in appearance with any towns of the same size in South-East Asia.

During the year, most Government departments were able to fill remaining vacancies for professional and technical positions and this had a marked effect on the rate of progress of the development programme. In particular, the Public Works Department was able to proceed so rapidly with its constructional work that for the first time the pace was limited by the financial resources available.

There has been an all-round improvement in communications on which the country, largely built up of isolated communities, so much depends.

In the Tawau Residency, work on the road to the east, which is intended to serve the immediate purpose of opening up for agricultural development the rich soils recently discovered in the neighbourhood of Quoin Hill, and the long-term purpose of linking up eventually with the existing road system in the Mostyn area, progressed satisfactorily. By the end of the year, an all-weather gravel road had been completed as far as the Apas River, where the trunk road is planned to go forward in a north-easterly direction towards Balung. The branch road to the north in the direction of Quoin Hill was completed, without gravelling, as far as the site of the proposed Cocoa Research Station. Steady progress continued to be made in the construction of feeder roads in all Residencies. Perhaps the most notable achievement of all (and a feather in the cap of the District Administration which had undertaken the work at its inception) was the linking up of the feeder road, jocularly known as the "Wall of Death", which for some years past has been creeping eastwards from Tamparuli through mountainous country, with the feeder road running westward towards the Tenompok Pass (4,900 feet approx.) from Ranau, thereby connecting this remote outstation at the foot of Mount Kinabalu with the West Coast road system. The distance from Tamparuli to Ranau is approximately fifty miles. The through feeder road immediately attracted a gratifying amount of traffic; and vegetables from the Ranau district, which formerly had to be transported, for the most part, by air, are appearing in the Jesselton market in appreciably greater quantities. In accordance with a policy decision, the Public Works Department has taken over direct responsibility for almost all feeder road construction and maintenance. Among its major feeder-road works during the year were the Batu Sapi-Sibiga road on the outskirts of Sandakan and a road along the Montenior. Valley in the Interior Residency, which will eventually link up Beaufort with Ulu Membakut.

Two major works of construction were completed by the North Borneo Railways. Most noticeable to the public was the construction of a new modern type passenger station in Jesselton, occupying a prominent position on one side of the town's main road. The other was the successful conclusion of the relaying and regrading of the Gorge Section, which, although subjected at times to considerable interruptions by abnormal weather conditions, was practically completed by the end of the year. Motive power and rolling-stock were adequate to meet the needs of both public traffic and construction requirements. A new diesel train imported from England gave good service and, because of its extreme flexibility of operation, enabled considerable variation in demand to be met.

Of major importance in the development of communications in the Colony has been the inauguration of multi-channel V.H.F. radio-telephone trunk circuits which came into operation in the course of 1958. These circuits operate through a repeater station at Kambarangan, 7,000 feet high on the slopes of Mount Kinabalu. All the main centres of the Colony were connected by V.H.F. radio-telephone trunk circuits through this station, and it is now possible to speak by telephone from one main centre of the Colony to any other. In addition, many automatic exchanges have been installed in rural exchanges in place of old manual switchboards. Telephones have also been converted from manually-operated to automatic and ninety-seven per cent of all the telephones within the Colony are now automatic. These developments have resulted in a greatly increased demand for telephone services from the public. Electricity supplies expanded considerably during the year and by the end of December all the major towns in the Colony had been given supplies, mostly on a twenty-four hour basis. The North Borneo Electricity Board reported a fifty per cent increase in sales and the opening of new stations at Kudat, Lahad Datu and Keningau. Private licensees opened stations at Kota Beludand Semporna.

Work commenced in January on a new permanent sealed runway at Jesselton and by the end of the year was nearing completion. Rapid progress was also made in the erection of a spacious new Terminal building to replace the very inadequate building erected after the war, which was an "eyesore" and a poor advertisement at the gateway of the capital; its disappearance and replacement by a handsome modern building will be generally welcomed. At Labuan, the parking apron, which is too small for the volume of civil and service traffic, gave frequent trouble and further repairs were necessitated.

The minor airstrips all had to be widened for the use of the Twin Pioneer aircraft operated by Borneo Airways. Two of these aircraft were put into operation on the internal air routes during May, in conjunction with the existing De Havilland Rapide aircraft. The greater passenger seating capacity of the Pioneers eased the shortage of space on all existing routes and permitted the

opening up of new and extended routes.

A comprehensive building programme throughout the Colony included the new Government Secondary (Technical) School in Jesselton, on which work commenced before the end of the year after the site at Batu Tiga had been levelled; the completion of the Tuberculosis Hospital in Jesselton; commencement of work on the Tuberculosis Hospital at Sandakan and a new Hospital at Tenom; the erection of a new Forest Office in Sandakan and a large block of flats for Government officers at Signal Hill, Jesselton. Two smaller works worthy of mention are the new Court House

at Sandakan and the new Post Office at Beaufort. Plans for the proposed new Chinese Primary School in Sandakan and for new offices for the Customs and Marine Department in Jesselton were completed. Quarters were erected for the new Post Primary School Tawau; work on the school itself will begin in 1959. The programme for the construction of vernacular schools made good progress; so, too, did the sewerage and water supply schemes for the main towns. The new water supply scheme for Jesselton was completed in the nick of time, for without it, there would have been a most serious shortage of water in the capital during the prolonged drought in the first half of the year.

Port facilities continued to improve. The Shell Oil Company and the Standard-Vacuum Oil Company completed their bulk oil

storage depots in the vicinity of the wharf in Jesselton.

A godown for the storing of copra, with a capacity of approximately 3,000 tons, was completed in Sandakan towards the end of the year and an additional small jetty was constructed. Eight privately-owned godowns were completed in Kudat.

In Tawau, reclamation work for the new port area was commenced during the year and constructional work on the new wharf and port facilities (estimated to cost \$2,500,000) will commence

in 1959.

A new record of shipping using North Borneo ports was again established during 1958, when the total tonnage reached nearly seven million tons an increase of close on one million tons over the 1957 figure.

Commerce

For the first time in the history of the Colony, the value of timber exports exceeded that of rubber. Exports of logs and sawn timber totalled 26.3 million cubic feet, valued at \$36.4 million. The comparative 1957 figures were 21.9 million cubic feet valued at \$31.5 million.

Exports of rubber rose slightly from 19,900 tons in 1957 to 20,200 tons in 1958, but the price of rubber fell during the year and the value of rubber exported totalled \$32.8 million, compared with \$37 million in 1957.

There was a favourable balance of visible trade in 1958 amounting to two million dollars. External trade was valued at \$258.8 million compared with \$242.5 million in 1957, which is, again, the highest annual total yet recorded. The value of imports totalled \$128.4 million, compared with \$121.6 million in 1957, and exports amounted to \$130.4 million showing an increase of \$9.5 million over the 1957 figure.

Provisions (valued at \$16.5 million excluding rice) continued to be the most valuable item imported. Rice imports totalled ten

million dollars, an increase of two million dollars in value over the 1957 figure, but imports of textiles and clothing showed a reduction compared with previous years.

The United Kingdom continued to be the principal market for the Colony's imports and exports, although again there was some fall in both compared with the previous years' figures. The export trade to Japan, on the other hand, virtually doubled in 1958. The value of exports to Japan in 1957 totalled \$19.9 million (16.72 of the total export value) compared with \$42.6 million in 1958 (being 33.15 per cent value of the total exports).

These changes are attributed to the fall in exports of rubber to Malaya, Europe and Hong Kong; of timber to Hong Kong and United Kingdom, and of copra to Malaya and China and a corresponding increase in the export of these commodities to Japan. A decrease in freight rates had a particularly beneficial effect on the timber exports to Japan.

Production

A prolonged drought which commenced in the latter part of 1957 and continued into the third quarter of 1958 had an adverse effect upon agriculture generally and the production of the rice harvest in particular was well below normal. The estimated harvest was 46,591 tons of padi, equivalent to 28.886 tons of rice—(the comparative figures for 1957 were 55,437 tons of padi, equivalent to 34,371 tons of rice)—an estimated yield some twenty-two per cent below that of the previous year. The continued drought gave cause for alarm in respect of the 1958/59 crop, but rain came at the critical moment and indications are that yields well above average will be obtained. A feature of the 1958/59 season was the success of the two major irrigation schemes at Papar and Tuaran both of which worked well in the face of severe drought and justified themselves in the eyes of a conservative and hitherto somewhat dubious peasantry.

As noted previously, the export of timber for the first time exceeded in value the export of rubber. Timber production showed an increase of, approximately, twenty per cent over the 1957 figure. During the year exports to Japan increased very considerably, the extra volume being provided almost entirely by increased production. In comparison with other commodities, timber prices were remarkably steady.

Production of rubber rose slightly and a total of 20,235 tons was exported as against 19,870 tons in 1957. The total area under rubber at the end of 1958 was 148,952 acres—an increase of 11,952 acres over 1957. This increase was achieved by the planting of 12,780 acres by smallholders and 1,022 acres by estates.

The year was marked by a growing interest in other plantation crops of high economic value and by progress in their establishment. In particular, cocoa planted on the basaltic soils of the Semporna peninsula is growing exceptionally well and the opinions of visiting authorities were most encouraging. Borneo Abaca Limited has increased its planted acreage of cocoa from 313 to 520 acres. The area of the Cocoa Research Station which the Agricultural Department is establishing at Quoin Hill was increased to fifty acres; in addition, a commercial concern planted up the initial fifty acres of a 5,000-acre cocoa plantation. Applications for land in the Quoin Hill area for the purpose of planting cocoa, totalling some 3,000 acres, were received, and good progress made in the allocation of lots among the applicants.

The commercial planting of oil palms in the Mostyn area, where the Colonial Development Corporation plans to plant an estate of 5,000 acres progressed well during the year and growth to-date is considered to be exceptionally good. Plans were drawn up during the year for the opening of an oil-palm Reserve station by the Department of Agriculture and nurseries sufficient for the planting of 150 acres in 1959 are being laid down.

The Darvel Tobacco Company Limited continued with its preparations for the opening in the Kalumpang area of an extension to its existing Tobacco plantation at Segama.

In February, His Excellency the Governor performed the "spudding-in" ceremony of the Shell Company of North Borneo's first marine exploration well in North Borneo territorial waters at Hankin Shoal, thirty miles north of Labuan. Three months later, representatives of the North Borneo Government and the Shell Company of North Borneo signed an agreement giving the company the right to prospect for oil in North Borneo waters. In June, the Hankin Shoal well was abandoned, having been drilled to a depth of nearly 9,000 feet without any indications of oil having been found. In the continuing search for new oil-bearing structures along the continental shelf off British Borneo a reconnaissance survey was made in October on Mangalum Island, with a view to drilling operations being started in 1959.

Local Government and Social Services

Steady progress has, too, been made in the fields of Local Government and Education.

As His Excellency the Governor said in his address to the Regional Conference of the Parliamentary Association Branch held in Jesselton in August:

"For a long time the people of North Borneo were preoccupied with the restoration of the very means of living and in those circumstances political evolution does not seem to be of tremendous importance. Standards of living and education have come first, and that preoccupation has had the unexpected and happy consequence that, whereas our constitutional forms remain old-fashioned, the spirit of democracy pervades all our actions. We here in North Borneo are seeking to preface the accepted forms of democracy by its day-today practice, in the deliberate hope that the emergence of a normal democratic constitution will be a natural growth, the various stages of which will attract little more attention than does the spectacle of a boy growing out of his pants. One instance of that natural development, in which we take some pride, is that all education is now the responsibility of a predominantly unofficial Board of Education, representative of all the educational agencies and of all races, an arrangement which, however much it may be desired, I believe still remains only an ambition in the other countries of this region."

The encouragement of local Government plays an increasingly important part in Government policy and in 1958 the field was widened when new local authorities were established in Tuaran, Beaufort and the rural district of Jesselton. Proposals were also under consideration for the establishment of similar authorities

in Kudat and Semporna.

Of particular interest is the Jesselton Rural District Council, which, with Headquarters at Penampang, includes in its area several of the smaller townships around Jesselton and, for the first time, brings them all under a unified administration. This is consistent with the policy to integrate small market towns and townships with their surrounding countryside by establishing local authorities under the Rural Government Ordinance when a town has grown to sufficient size and has developed a district consciousness with Urban problems of its own, it is established as a Town Board under the Municipal and Urban Authorities Ordinance.

The progress of the established local authorities is very satisfactory. They have shown themselves capable of reflecting the needs of the Districts or Towns they serve and taking action, as empowered under the Ordinance; for instance, the Sipitang District Council, one of the older of the local authorities, has been actively engaged in resettling scattered Murut families and 500 acres of land has been planted with maize, coffee and groundnuts with materials supplied free of charge by the Council. In Kota Belud, the first of the local authorities to be created (1st January, 1952), the District Council purchased an engine and installed a pump for the irrigation of padi areas in the district.

In Papar, more recently constituted the District Council has instituted a system of 50/50 self-help for minor works in villages, under which the villagers which benefit undertake the physical work, for which the District Council buys the necessary materials.

The Jesselton Town Board, amongst other of its activities, has been investigating an urban housing scheme for two-storey houses.

Progress in education is reflected in the expenditure on educational services, which continued to increase. Expenditure from the Colony's ordinary budget totalled \$2.1 million compared with \$1.8 million in 1957. In addition the development budget provided the sum of \$1.05 million for building projects such as the Government Secondary (Technical) School in Jesselton, a State Post-Primary School in Tawau, and extensions to Kent Teachers Training College, Tuaran. In addition, in the course of 1958, a Colonial Development and Welfare scheme amounting to \$889,000 was approved for the construction of a Government Chinese Primary School, Sandakan. The year was notable for the number of new buildings erected to replace temporary sub-standard schools, especially among Chinese schools. In Jesselton, the largest school in the Colony, the Chung Hwa School, was completed at a cost of more than \$500,000 of which Government contributed the sum of \$250,000.

By the end of the year the number of schools of all types was 333, with a total enrolment of 40,610 pupils compared with the 1957 figures of 288 schools with a total enrolment of 34,251 pupils. Of these, pupils in secondary schools increased from 2,359 in

1957 to 3,019 in 1958.

The importance of the teaching of the English language to the indigenous races has been stressed by the Board of Education which recommended the recruitment over the next three years of fifty experienced teachers from more advanced countries in South-East Asia, who would be both responsible for the teaching of English in Malay Schools and for the instruction of locally-trained teachers. The Board also decided that the teaching of English should gradually become the medium of instruction in all primary classes of Malay schools.

During 1958, 110 students from North Borneo were studying overseas on scholarships awarded under the Colombo Plan, from the Colonial Development and Welfare Fund, and from other sources. Of these, fifty-one are studying to become teachers, five are studying medicine, three accountancy and the remainder a variety of subjects including agriculture, geology, engineering,

surveying and nursing.

The Colony Training Programme inaugurated in 1957 and designed to make local candidates available for higher posts in Government, Commerce and the professions gathered momentum. A Tutorial Course for a dozen specially selected Natives in the Government Service was started in charge of a Tutor seconded under the Colombo Plan by the Australian Government. The drawing up of a comprehensive Training Scheme was completed and is under consideration by Government.

The Broadcasting Service continued to expand its services but reception conditions outside the Jesselton area were difficult after nightfall, and the problem became worse rather than better as the year progressed. A simple form of audience research conducted during the year showed that the Native races formed the majority of the listeners and that the Malay and English programmes were numerically the most widely heard.

An early morning transmission was started and was welcomed by listeners of all communities. The hours of broadcast were extended thereby from five and a half hours to seven hours daily

by the end of the year.

A Colonial Development and Welfare Scheme for the construction of a new Broadcasting House, with modern studios, was approved during the year and preliminary plans were drawn up.

Other services provided by the Broadcasting and Information Department continued to expand as rapidly as staff and finance permitted, but difficulty was experienced in keeping pace with the

ever-increasing public demand in all parts of the Colony.

The health of the Colony continued to be reasonably good. 'Asian Flu', which affected so many persons in 1957, made sporadic visitations but, apart from temporary discomfort, few serious effects were noticed. In the middle of the year there was a danger of the introduction of cholera from Indonesia; all possible precautions were at once taken in the East Coast ports of Tawau and Lahad Datu, and were continued as long as the danger lasted. No cases of cholera, in fact occurred. Towards the end of the year the possibility of an epidemic of poliomyelitis caused some public alarm. Fortunately, however, cases were few and many children were given prophylactic inoculations.

Malaria control has been further extended and after three years of investigation a method has now been discovered of interrupting completely the transmission of malaria. This is important as the goal of most malarious countries in the world to-day is eradication rather than control. The island of Labuan has been freed of malaria and this suggests that the much larger island of Borneo may, in due course of time, be completely freed of the disease. It is hoped that the control methods now in use can be extended to cover the entire Colony by the end of 1960.

A comprehensive scheme proposed for the control of tuberculosis by isolating infectious patients and treating sufferers has been further discussed with the Colombo Plan authorities and it is hoped that this can be implemented in 1959. Simultaneously, a mass-radiography survey of the public is planned.

During the year, 15,543 in-patients were treated at Government Hospitals, Dispensaries and specialised units, as compared with 14,702 in the previous year. Out-patients numbered 256,017,

as compared with 244,542.

At the end of the year, the Leper Settlement which had for many years been situated on Berhala Island at the entrance to Sandakan Harbour was closed and the few patients in the settlement were transferred, with their consent, for further treatment to the Rajah Sir Charles Brooke Memorial Settlement in Kuching, Sarawak, by arrangement with the Government of Sarawak.

The several missionary organisations established in the Colony continued to do important work in the medical field as well as in education. Also active were the voluntary social welfare organisations, which included 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.

Public Finance

For 1958 the estimated General Revenue Surplus in the Ordinary Budget was \$9.356 million at the beginning of the year and \$9.767 million at the end of the year. When the accounts for the year 1957 were closed, the actual General Revenue Surplus for carry-over into 1958 proved to be \$8.960 million. Notwith-standing the opening surplus being some \$800,000 less than anticipated, however, the anticipated General Revenue Surplus at the end of 1958 is \$10.346 million. During the year 1958 a contribution of five and a half million dollars was made from the Ordinary Budget to the Development Budget.

Ordinary Revenue for 1958 totalled \$37.584 million compared with \$35.463 million in 1957. Of this total, \$19.061 million accrued from Customs receipts, and \$5.134 million from licences and internal revenue. There was a continued increase in Forest revenue from \$2.637 million in 1957 to \$3.054 million in 1958, attributable to the expanding timber trade. Development Revenue for 1958 totalled \$25.344 million compared with \$19.785 million in 1957.

Ordinary Expenditure, including the contribution of five and a half million dollars to the Development Account, was \$36.647 million compared with \$35.259 million in 1957. Development Expenditure in 1958 totalled \$25.362 million compared with \$17.596 million actual expenditure in 1957. This Development Expenditure in 1958 includes \$4.807 million on Colonial Development and Welfare Schemes.

Figures for 1958 in these paragraphs are based on latest revised estimates prepared before the year's accounts were closed.

Other Events of Interests

The 6th Regional Conference of the Commonwealth Parliamentary Association Branches in the Malaya/Borneo group was held in the Community Centre at Jesselton in August. It is the second time that the Regional Conference has been held in

Jesselton and, for the first time in the history of these Conferences, observers from Australia and New Zealand attended the talks. The Federation of Malaya, Singapore, Sarawak, all sent representatives, and observers also attended from Brunei.

In June a party of the 22nd Special Air Service Regiment undertook an operational parachute drop in padi-fields some twenty miles to the north of Jesselton. Fifty-two men were dropped, carrying full equipment, and after landing separated into small parties in an exercise aimed at "destroying" pre-selected targets in Jesselton. Two platoons of the Mobile Force of the North Borneo Police Force were deployed to prevent this by means of ambushes and roving patrols. The operation, which went by the name of "Operation Flying Dusun", was most successful and all who took part in it gained much knowledge; the exercise lasted for three days.

In March the town of Beaufort celebrated the Diamond Jubilee of its foundation by the Governor of the Chartered Company (Mr. L. P. Beaufort) from whom it derives its name. The town was en fete for the occasion. By kind permission of the Commander-in-Chief, Far East Air Forces, the Pipe Band of the Far East Air Force was present, and in the popular estimation, "made" the occasion.

An Electrical Exhibition was staged by the Electricity Board at the Community Centre, Jesselton, during September, at which there was a considerable display of industrial and electrical equipment, by commercial firms, as well as models illustrating different aspects of development in North Borneo. The Exhibition was extremely well attended and the growing demand for electrical appliances from all sections of the community was most gratifying.

A privately sponsored proposal originally put forward in 1954 for the establishment of a permanent War Memorial on the slopes of Mt. Kinabalu to commemorate Commonwealth troops and Borneo peoples who died in Borneo during 1941-45, began to take shape during the year. The Government of North Borneo has given practical assistance to the project by the grant of land at Kundasan for a memorial park, the reservation of the top of the mountain above the 6,000 feet contour line and the provision of feeder road access from Jesselton and from Ranau. The idea of a National Park and a Rest House as a memorial has received support in Australia and the United Kingdom, and in response to an appeal for funds by the sponsors of the plan, about one-fifth of the target aimed at —£25,000 — had been raised by the end of the year.

An Australian Trade Mission to the Pacific and Far East visited Sandakan aboard m.v. "Delos" in December, when a wide range of exhibits, from heavy equipment, motor cars, foodstuffs, wines, to sports clothes were displayed on board. In an address to the

visitors, His Excellency the Governor stressed the close ties between Australia and North Borneo, paying high tribute to the generous assistance received under the Colombo Plan from the Australian Government, and welcomed the inclusion of Sandakan in the itinerary of this "floating" exhibition, the first of its kind.

The Community Centre for Jesselton—a project of the Jesselton Town Board—was completed during the year and opened by His Excellency the Governor during March. The Centre provides seating capacity for 1,200 spectators and is proving very popular. Sporting matches are held in the Centre regularly and in addition to the theatrical shows and dances which are held there, the Centre provides a most convenient venue for exhibitions and such functions as the Red Cross Annual Bazaar and Fun Fair.

The new All Saints' Church at Jesselton, situated on a large open space at the foot of the hill on which the pre-war church still stands, was completed at the end of the year and was consecrated by the Bishop of Borneo in the presence of His Excellency the Governor and a crowded congregation early in January, 1959.

A disastrous fire in Tamparuli Township in February resulted in the destruction of a block of newly-constructed light-industrial

buildings.

Severe flooding occurred towards the end of November in the Tambunan, Keningau, Tenom and Beaufort areas of the Interior Residency. The damage in Tambunan and Keningau was confined to rice-fields bordering the rivers, but near Tenom the floods destroyed the crops of Chinese smallholders over a large area. Some 900 people were evacuated from the flooded areas and received relief. Prompt assistance was given by the Government and the Red Cross, and generous donations were received for relief from all parts of the Colony.

During July a party of armed men from the Philippines raided Bombay Burmah Trading Corporation Limited's timber camp at Kalabakan. There were no casualties but money and property were stolen. General piracy activity was reported off Kunak,

Lahad Datu in August.

On December 9th a Shackleton aircraft of the Royal Air Force, which was conducting an anti-piracy patrol over North Borneo waters, failed to return to its base. An intensive search was carried on and it was eventually established that the aircraft had crashed into the sea near Sin Cowe Reef in the South China Sea, 300 miles north of Labuan, killing all eleven persons aboard. Among the victims was Mr. A. R. Millar, Acting Deputy Commissioner of North Borneo Police.

This tragedy cast its gloom over what otherwise was a year of calm and steady work in which North Borneo maintained its enviable, and jealously guarded, reputation for harmony and economic and political progress.

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 per cent to 334,141 persons.

The estimated population on the 31st December, 1958 was:

Indigenous	S	• • •	• • •	276,186
Chinese		• • •	• • •	102,213
European	(including	Eurasian)		2,065
Others		• • •	• • •	35,971
		TOTAL		416.435

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 per cent from 205,218 to 243,009; the Chinese population by 48.6 per cent 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 sea-farers 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 sevenyear 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 sixty-four males to thirty-six females in 1931 to fifty-six males to forty-four 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, fruit 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.

A summary of registered births and deaths during the period 1st January to 31st December, 1958, shows:

			Births	Deaths
Indigenous	• • •	• • •	10,188	2,490
Chinese			5,129	643
European (inclu	ıding			
Eurasian)			55	6
Others		• • •	758	219
				
	Total		16,130	3,358

The following is a summary of arrivals and departures through the ports of the Colony during the period 1st January to 31st December, 1958:

		Arrivals	Departures
Indigenous	• • •	 2,309	2,319
Chinese		 7,154	6,675
European (incl	uding		
Eurasian)		 2,250	2,215
Others		 13,458	11,135
	TOTAL	 25,171	22,344

Chapter 2: Occupation, Wages and Labour Organisation

Industrial Structure

THE basis of the economy of a very large proportion of the people of North Borneo is homestead farming, consisting of the production of rice and mixed crops for subsistence and of export crops such as rubber, coconuts, etc. for the provision of money. Superimposed upon 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. There are in addition, small processing industries serving the limited needs of the estates and timber companies. Finally, there is a multiplicity of services demanded by a growing and prosperous community e.g., building, transport and commerce.

Employment

The most recent figures covering occupations of persons are provided by the 1951 census. This showed that 140,629 persons or 42.1 per cent of the total population was at that time gainfully employed. Of these persons, 119,639 were engaged as producers of raw materials and the remainder were employed in manufacturing, transport and communications, commerce, services and professions, and in personal and paid domestic services.

The Chinese population is engaged mainly in commerce, rubber production, agriculture and industry. In the fields of the crafts, artisan employment and commerce, the Chinese are predominant.

A large preponderance of both the Dusun and Murut communities is normally engaged in homestead agriculture with a small proportion employed in 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 is continuing. At present they constitute some 48.84 per cent of the labour force of the Colony.

The total labour force based upon statistics provided by employers of twenty or more workers as on 31st December, 1958 stood at 28,080. Of this, 12,763 are employed in plantations, 11,630 in industry and 3,687 by Government. There was no

significant change in these figures during the year.

Much of this labour is employed seasonally during the off seasons in homestead cultivation. There is no appreciable unemployment in the Colony nor is there 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 Hongkong and Singapore for employment with established construction and engineering firms, especially with those which have taken up the larger Government and private contracts. Hongkong is the chief source of these workers and they are recruited with the agreement, and under the supervision of the Hongkong 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 1,200. 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.

An agreement was concluded with the Government of Hongkong for the entry of certain classes of Chinese agricultural workers. Owing to a variety of reasons the response to this so far has been considerably less than was expected. The numbers of Indonesian workers, mainly from Timor and Celebes, has continued to increase over the last three years and now stands at approximately 5,000. There are also some 2,000 workers from the Philippines. These workers come of their own initiative to the East Coast ports to look for work in North Borneo, and their employment has now spread to most districts including, in a small

way, those on the West Coast and the Interior.

Wages and Conditions of Employment

There is little variation in wages and earning 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 1958 and the cost of living remained much the same. 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. 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 working 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 throughout the year. Figures for an average monthly budget for workers of various races in the Colony collected by the Department of Labour and Welfare are as follows:

WO	ORKERS' MONTHLY	BUDGET	
Chinese	1957	1958	% Increase + Decrease –
Foodstuffs	\$37.62	\$35.37	- 5.98%
Clothing and beddi	ng 4.63	5.31	+ 14.69%
Miscellaneous	14.68	12.79	- 12.87%
	\$56.93	\$53.47	- 6.07%
Natives			
Foodstuffs	\$37.31	\$32.84	- 11.98 %
Clothing and bedding	ng 3.83	3.64	- 4.96 %
Miscellaneous	17.45	14.51	- 16.84 %
	\$58.59	\$50.99	- 13.12%

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

	19	57	1958	
	June	December	June	December
Rice (per gantang)	\$2.10	\$2.10	\$2.10	\$2.10
Flour (per kati)	0.30	0.30	0.30	0.30
White sugar (per kati)	0.45	0.35	0.45	0.30
Meat (per kati)	1.80	1.80	1.80	1.80
Fish (per kati)	1.60	1.50	1.60	1.60
Vegetables (per kati)	0.40	0.40	0.40	0.40
Milk (per 14-oz. tin)	0.75	0.70	0.70	0.70
Hen's eggs (each)	0.22	0.20	0.25	0.17
Tea (per lb.)	4.95	4.50	4.50	4.50
Coffee (per kati)	1.30	1.30	1.30	1.50

Labour and Welfare Department

The Department at present consists of the Commissioner, one Assistant Commissioner on the East Coast and an establishment of one Chinese Assistant Officer, two Labour Officers, two Labour Inspectors and fifteen other staff. Three offices are maintained: the headquarters office in Jesselton, an office serving the East Coast in Sandakan and a new office was started during the year in Tawau. This last deals mainly with the immigrant Indonesian labour and, in order to do this, a very simplified form of employment exchange has been introduced for the first time into this Colony, and is proving its worth. Regular inspections at places of employment are carried out by officers of the Department.

Industrial Relations

There continues to be no marked change in the state of trade unionism which is still embryonic. The number of trade disputes reported during the year was five, but these were all of minor importance. Because of illiteracy among the majority of workers, the comparatively small extent of wage-earning employment, and the absence of the economic conditions which have led to the organisation of labour in many countries, it appears likely that the growth of trade unionism will continue 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 of 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 Union was registered during the year. There are at present six Trade Unions with a total membership of approximately 1,818.

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

Labour Legislation

The Workmen's Compensation Ordinance passed in 1955 as amended by the 1957 Workmen's Compensation (Amendment) Ordinance continued to be in force. The Labour Ordinance (Cap. 67) as amended by the Labour (Amendment) Ordinance, 1955 and the Labour (Amendment) Ordinance, 1957 continued in force.

International Labour Conventions

As a result of certain minor amendments in legislation, it has been possible to notify some extensions of the application of Conventions to North Borneo and the position is at present as follows:

- (a) applied without modification, nineteen conventions;
- (b) applied with modification, five conventions;

- (c) decision reserved pending the enactment of legislation, fifteen conventions;
- (d) inapplicable owing to local conditions, eight 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 Labour Officers. At most large places of employment additional welfare activities are carried on by the management.

The Department of Labour and Welfare is responsible for the administration of the Workmen's Compensation Ordinance. 661 accidents were reported in 1958 as compared with 548 accidents in 1957 and 380 accidents in 1956. In 473 of this year's cases already settled agreements covering compensation amounting to \$110,266.00 were registered. The increase in the number of cases reported, it is felt, is due largely to the fact that workers are now much more aware of their privileges and rights and insist that the cases are reported to the Department; the increase in the timber business also accounts for some of the extra cases reported.

The Commissioner of Labour and Welfare is Chief Inspector of Machinery.

Poor Law administration in the Colony is also the responsibility of the Department and details of the assistance provided are given on page 93 under Social Welfare.

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.

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.

Central Government Offices, Jesselton.

Chapter 3: Public Finance and Taxation

THE approved estimates for 1958 were based on a General Revenue Balance in the Ordinary Budget of \$9.356 million at the beginning of the year and \$9.767 million at the end of the year. When the accounts for 1957 were closed the actual General Revenue Balance proved to be \$8.960 million. Despite this shortfall of \$396,000, the Balance at the end of 1958 proved to be \$10.333 million. During the year 1958 \$5.5 million were transferred from the Ordinary Budget to the Development Budget.

As a result of the release of the Colony's finances from the control of the United Kingdom Treasury, it is necessary to maintain a General Revenue Reserve of a sum equal to four months' ordinary budgetary expenditure. Actual ordinary expenditure for 1958, excluding the contribution of \$5.5 million to the Development Budget, was \$31.160 million and the actual General Revenue Balance as at the 31st December, 1958, was \$10.333 million.

The approved estimates for 1958 provided for an opening balance of \$3.554 million in the Development Budget and a closing balance at the end of the year of \$692,000. In the event, the opening balance was \$800,000 less than expected, but the closing balance stood at \$2.742 million.

ORDINARY REVENUE

			-	
	Ac 1956	tual	Estimated	Actual
	1936	1957	1958	1958
	\$	\$	\$	\$
Customs	18,522,315	18,977,882	20,300,000	19,060,955
Forests	2,194,755	2,637,058	2,340,000	3,054,192
Lands	832,999	911,317	852,000	1,000,001
Licences and Internal	•		,	1,000,001
Revenue	4,233,168	4,582,970	4,636,640	5,134,492
Fees of Court or				, , ,
Office, etc	829,871	984,210	1,093,000	1,169,817
Township				, , , , , , , , , , , , , , , , , , , ,
Authorities	277,338	219,335	117,940	209,060
Light, Water,			,	
Power, etc	860,809	473,364	564,000	582,086
Posts	698,102	898,588	643.800	714,644
Telegraphs	764,560	961,263	1,098,000	1,186,257
Interest	366,121	351,840	382,000	512,706
Rents — Govern-	,	,	,	,
ment Buildings	706,572	801,140	870,000	867,268
Ports and Harbours	882,850	1,058,657	990,000	1,162,008
Miscellaneous	1,722,289	1,714,666	2,316,189	2,315,952
Land Sales	847,678	890,480	500,000	614,359
TOTAL ORDINARY				
REVENUE	33,739,427	35,462,770	36,703,569	37,583,797

DEVELOPMENT REVENUE

	Ac 1956	tual 1957	Estimated 1958	Actual 1958
	\$	\$	\$	\$
Contribution from proceeds of the realisation of former Japanese assets	2,636,620	644,352	588,500	1,047,232
Contribution from Foreign Operations Administra- tion towards cost of re- construction of wharves	801,282	_		119,154
Colonial Development and Welfare Grants	2,085,008	7,345,790	6,118,226	4,879,900
Appropriation from Ordinary Budget	6,500,000	6,000,000	6,000,000	5,500,000
Cash Balance transferred from Supplies Account	1,531,677		_	
Realisation of Straits Settlements Assets and State Bank Deposits	401,576			
Repayment to revenue from loan account of compensation paid in respect of relinquishment of timber rights to the British Borneo Timber Co., Ltd	- The code	3,105,679	· ·	
Repayment of Loans		119,358	23,583	17,818
Sale of Electricity Under- taking	_	2,570,000	_	_
Contribution from Ordinary Budget towards recurrent expenditure under Colonial Development and Welfare Schemes			157 277	140,810
Loan Funds	Colonia	angles and sealing	7,000,407	12,991,357
Balance of allocation made from the Japanese assets account for the provision of playing fields, etc			_	38,994
Sale of shop lots, Kampong Ayer, Jesselton				629,479
Total Development Revenue	13,956,163	19,785,179	19,895,993	25,364,744

ORDINARY EXPENDITURE

	A	ctual	Estimated	Actual
	1956	1957	1958	1958
	\$	\$	\$	\$
Charges on account of the	J)	Φ	Φ	Ф
Public Debt	326,627	683,572	889,182	1,111,094
Pensions, Retiring Allow-	220,027	005,572	000,102	1,111,074
ances, Gratuities, etc.	1,126,922	1,396,051	1,238,873	1,491,996
Governor	143,680	199,876	162,674	178,608
Accountant-General	234,412	176,373	166,990	156,261
Administrator-General	38,464	35,274	38,025	36,196
A ami 14	639,013	799,216	929,131	· ·
A 11 di4	105,973	•	•	909,087
Broadcasting and Infor-	103,973	113,651	121,354	120,778
motion	143,430	260,926	259 560	240.097
Civil Audadia		· · · · · · · · · · · · · · · · · · ·	358,569	349,987
	563,294	600,476	658,915	656,485
Contribution to Development Account			C 000 000	5 500 000
The discussion of the con-	1 410 127	1 074 627	6,000,000	5,500,000
Education	1,419,127	1,874,637	2,362,164	2,208,949
Forests	1,155,236	1,322,519	1,386,132	1,331,889
General Clerical Service	1,304,625	1,150,299	1,163,000	1,159,004
Geological Survey		199,193	118,030	117,183
Inland Revenue		106,682	130,097	124,748
Judicial	108,811	134,877	118,204	115,280
Labour and Welfare	109,216	100,686	119,288	107,387
Lands and Surveys	604,591	789,799	870,750	937,580
Legal	61,559	82,903	76,535	83,290
Marine	523,544	583,043	734,522	722,842
Medical	2,740,732	3,267,123	3,281,958	3,141,929
Miscellaneous Services	*8,753,197	*7,497,761	1,027,331	1,707,716
Police	2,496,803	2,709,612	2,676,156	2,767,383
Posts and Telegraphs	1,402,950	1,566,038	1,675,642	1,674,128
Printing	291,152	317,513	300,663	328,179
Prisons	164,673	189,695	213,350	227,171
Public Works Department	670,327	813,028	952,975	958,327
Public Works Recurrent	3,192,718	3,877,315	4,772,000	4,457,668
Public Works Non-	5,152,710	3,077,313	1,772,000	1, 157,000
Recurrent	1,382,568	987,503		
Railways	† 63,303	† 208,894	† 99,410	† 316,890
Residencies and District	1 00,000	1 200,001	1 22,110	7 2 1 0 , 0 2 0
Offices	1,862,691	2,168,318	2,576,328	2,554,436
Secretariat	284,782	340,080	440,818	467,343
Township Authorities	109,928	101,381	56,403	54,778
Trade and Customs	429,714	604,993	577,030	585,259
			377,030	303,237
TOTAL ORDINARY	¢22.454.062	#25 250 207	£27,202,400	\$26.650.951
Expenditure	\$32,434,062	\$35,239,307	\$36,292,499	\$30,639,831
Notes:				
* Includes contribution of	\$6,000,000, 40	Development	account	
‡ Railways—	ψυ,ουο,ουο το	Development	account.	
Revenue	1,592,852	1,625,427	1 740 000	1 651 522
Even and ditues	1,656,155	1,834,321	1,740,000 1,839,410	1,651,532 1,968,422
Deficit	63,303	208,894	99,410	316,890

DEVELOPMENT EXPENDITURE

		tual	Estimated	Actual
	1956 \$	1957 \$	1958 \$	1958 \$
Borneo War Damage	Φ	J)	Ψ	Φ
Claims Commission	778,769			
Harbours	1,049,988	544,767	512,818	* 473,988
Lands and Surveys	87,927	112,229	742,000	* 277,935
Marine	6,598		350,000	* 336,448
Miscellaneous Services	142,361	2,229,133	1,000	* 5,566,462
Posts and Telegraphs	8,961		1,650,152	* 1,561,966
Public Works	4,824,652	6,558,863	11,505,814	*10,750,064
Railways	39,064		1,384,065	* 778,012
Colonial Development and Welfare Schemes	4,609,944	4,936,518		
Purchase of Stock in North Borneo Electricity Board		2,570,000	_	299,997
Schemes financed from the proceeds of the realisation of the former				
Japanese assets	1,857,851	644,352	(destinances*
Agriculture			630,914	* 206,230
Broadcasting and Information Infor-		***************************************	43,572	* 7,538
Civil Aviation	s		615,403	* 1,986,258
Education		÷	3,408,820	* 2,162,197
Forests			9,912	* 7,887
Medical		· · · ·	1,903,459	* 946,866
Total Development Expenditure	\$13,406,115	\$17,595,862	\$22,757,929	\$25,361,848

Notes:-

^{*} Financed partly by Colonial Development and Welfare Schemes, Loan proceeds and Colony funds.

LOCAL AUTHORITIES

	A	ctual	Estimated	actual
•	1956	1957	1958	1958 \$
Jesselton Town Board:	\$	\$	\$	Ψ.
Revenue	453,388	606,874	776,644	796,278
Expenditure	212 972	490,096	970,943	897,858
Sandakan Town Board:				
Revenue	294,617	573,194	565,431	645,255
Expenditure	246 262	516,952	528,021	592,400
Labuan Town Board:				
Revenue	132,242	150,388	171,695	182,255
Expenditure	121 626	138,637	*173,231	181,048
Tawau Town Board:	100.050	150 550	106.404	40000
Revenue Expenditure	,	158,550	196,491	193,972
Expenditure	112,408	†181,145	195,170	177,288
Kota Belud District Counci	1:			
Revenue—General	. 51,310	57,132	59,210	60,933
Subvention				
from Government	rn- . 75,000	94,000	88,000	88,000
Transfer from	,	71,000	00,000	00,000
Reserve Fu	nd —	3,000	f dephilosopy with	Maritmony
Loan from Governmen	at 8,500			
Governmen				
F 114	134,810	154,132	147,210	148,933
Expenditure	. *153,478	151,076	152,477	128,217
Papar District Council:				
Revenue—General	. 21,106	48,962	54,066	53,390
Subvention fr			ŕ	,
Governmen	at 39,900	92,000	92,000	112,500
	61,006	140,962	146,066	165,890
Expenditure	. 56,518	131,957	138,668	150,065
Sinitana District Council.				
Sipitang District Council:	26.794	20.114	21 402	0.1. 5.00
Revenue—General Subvention fr	. 26,784	29,114	31,483	31,563
Governmen		48,160	48,000	48,000
	77,839	77,274	79,483	79,563
Expenditure	. 62,492	75,625	82,405	82,405
		,		

LOCAL AUTHORITIES

	Actual		Estimated,	actual
	1956 \$	1957 \$	1958 \$	1958 \$
	W	W.	₩	*
Beaufort District Council:				60 W46
Revenue—General			61,759	63,546
Subvention from Government	a, according		106,000	106,000
	-		167,759	169,546
Expenditure			166,843	168,884
Jesselton Rural District Council	il:			
Revenue—General		gPhilir HATI age	34,160	31,310
Subvention from Government			21,000	17,500
			55,160	48,810
Expenditure		******	54,045	43,595
Papar District Council:				
Revenue—General			54,066	53,390
Subvention from Government	_		92,000	112,500
Expenditure			146,066 138,668	165,890 150,065

NOTES: -

Public Debt.

The Public Debt of the Colony at the end of 1958 was \$21,383,872. Apart from \$446,426 representing Colonial Development and Welfare Loans, this comprised the following North Borneo Inter-Colonial Loans:

				Issue price for
				£100 stock
4 %	1964/69		 • • •	£97.15.0.
$5\frac{1}{2}\%$	1966/71		 ,	£98. 0.0.
$5\frac{3}{4}\%$	1967/72		 	£98.10.0.
$6\frac{1}{4}\%$	1968/73	• • •	 	£98. 0.0.

The total amount of the Sinking Funds providing for the redemption of the loans as at 31st December, 1958, was \$488,254.

[†] Deficit financed by a loan.

^{*} Deficit met from surplus funds.

The latest revised estimated expenditure on Loan Account during the five years 1954-1958 (including expenditure charged to advance accounts pending the raising of loans) can be summarised as follows:

Water supplies		\$ 4,603,646
Electricity supplies	• • •	2,697,997
Drainage and Irrigation		131,430
Telecommunications		1,784,570
Sewage disposal		2,135,172
Railway development		5,014,582
Compensation for surrender	o f	
timber rights and loss of profits		8,719,362
Land reclamation		235,694
Internal Airways Development		1,796,800
Tawau Wharf		88,225
Charges and Discount	• • •	449,936
		\$27,657,414

TAXATION

Customs Tariff

The principal Import Duties are those levied on cigarettes, cigars and tobacco; spirits, beer and wine; petroleum products; perfumery and cosmetics; confectionery, sugar, tea, condensed and powdered milk; machinery, metal manufactures and motor vehicles and accessories; bicycles; and textiles and apparel.

Certain types of goods produced or manufactured in Commonwealth countries are admitted at preferential rates of duty.

The Customs Duties (Exemption) Order, provides, subject to specified conditions, for the duty free importation of goods from Sarawak or Brunei on which duty has been paid in either of these territories; of building materials; medical preparations, drugs and hospital requisites; educational materials; materials for the packing of local produce; fish, meat, fruit and vegetables; rice, flour and salt; plants and seeds; fertilizers and manures; disinfectants; fertilizers and fungicides.

Items not covered by the Customs Duties (Exemption) Order and not specifically mentioned in the Customs Duties Order attract duty at the rate of ten per cent ad valorem.

Export duties are charged on sea, forest and agricultural products, and on some livestock. Certain listed goods are exempted from export duties. Goods not specifically mentioned on the Export Schedule or exempted from export duty are charged with export duty at the rate of five per cent *ad valorem*.

During 1957 a new Customs Duties Order and Customs Duties (Exemption) Order were introduced. A number of minor changes were made in 1958 mainly affecting the classification of certain items. The only major change was the exemption of palm oil and palm oil kernels from the payment of export duty until the end of 1972.

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 can be used.

Poll Tax

The Poll Tax Ordinance (Cap. 102) (as amended) provides for the annual payment of one dollar and fifty cents by each ablebodied adult male native. Generally, persons who pay a total annual sum of three dollars or more by way of land rent or boat registration fees are exempted from the payment of Poll Tax. The estimated revenue yield from this source during 1958 was \$48,600 to the Government and \$29,850 to Local Authorities.

Income Tax

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

Companies—

- (a) if they elect to be taxed on undistributed exempt trading profit ... 20%
- (b) on all chargeable income ... 40%

Individuals—

Persons not resident in the Colony ... 40% (Non-residents who are British subjects or British-protected persons or Government pensioners are eligible for proportionate personal reliefs at the rates applicable to residents).

Persons resident in the Colony— On the first \$12,000 of chargeable income On the next \$12,000 of chargeable income On the next \$28,200 of chargeable income On all chargeable income in excess of \$52,200	$3\frac{1}{2}\%$ 5% 10% 20%
Personal allowances, per annum—	
Individual	\$2,400
additional for wife	3,000
additional for children	
first child	600
second child	600
third child	400
fourth child	300
fifth child and subsequent children	200 each
the allowance may be increased to \$600 for educated outside the Borneo Territories.	each child

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

The maximum allowance for a wife, children and life assurance cannot exceed one-half of assessable income. This maximum allowance is in addition to the personal allowance of \$2,400.

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

Legislation also exists for allowing certain company pioneer undertakings to be granted a period free of tax and also, in certain circumstances, for tax to be deferred where capital is held in the Colony.

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 one time to fifty dollars for the business of a shipper engaged only in the carriage coastwise of passengers or cargo. Fees are levied on a lower scale in rural areas and 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		etual as at December, 1957	31st December, 1958		
	\$	\$	\$	\$	
Drafts and Remittances		9,993		11,702	
Deposits		2,410,066		2,633,052	
SPECIAL FUNDS:—	1,047,232				
Administrator of Japanese Property Chee See Cheng Scholarship Fund	7,389		7,336		
Chee See Cheng Scholarship Fund Liberation Education Trust Fund North	,,,,,,				
Borneo	2,481		133		
North Borneo Central Library Bequest					
Fund (Capital)	2,453		2,672		
North Borneo Central Library Bequest					
Fund (Income)	Secretaria (S		1,122		
Pauper Fund	217,271		55,308		
Resident Scholarship Fund	2,930		2,930		
Rubber Fund Board	120,410		46,140 *	*Dr.	
Shell Company Limited Bursaries Fund	_		410		
Wee Guan Toh Scholarship Fund	2,478		2,488		
Widows' and Orphans' Pension Fund	1,041,731		1,439,193		
Colonial Development and Welfare Scheme					
— D694 Scholarships	2,029		3,097		
Colonial Development and Welfare Schemes					
—Unspent Balances	254,585	2,700,989	450,598	1,919,147	
-					
North Borneo 4% Inter-Colonial Loan 1964/	6 522 542				
69	6,532,542				
Less Payments 1954-1956 \$5,944,071	6,383,596	148,946	***	and the same of th	
1957 439,525	0,303,390	140,540			
Less Payments 1954-1957 \$6,383,596					
1958 70,213	-		6,453,809	78,733	
North Borneo 5¼% Inter-Colonial Loan 1967/	6,091,363				
72 .:	6,091,363				
Less Payments — 1957	0,091,303				
North Borneo 53/4 Inter-Colonial Loan 1968/					
73			6,122,443		
Less Payments — 1958			6,122,443		
		1 000 571	Warning of 1886	4,620,000	
Joint Consolidated Fund		1,988,571 209,049		4,040,000	
Other Governments and Administrations		207,042			
DEVELOPMENT ACCOUNT: —	550.047		2,739,364		
Balance as at 1st January, 1957-1958	550,047	2,739,364	2,739,364	2,742,260	
Add: Surplus for year 1957-1958	2,189,317	ش,/37,30 4	4,000	Lug 1 4 64 9 300 V	
GENERAL REVENUE BALANCE:					
Balance as at 1st January, 1957-1958	8,769,212		8,960,179		
Add: Surplus and Deficit Account, 1957-					
1958	203,463		923,947		
	-		0.004.126		
1057	8,972,675	2.060.170	9,884,126		
Less: Depreciation of Investments, 1957	12,496	8,960,179			
Add: Appreciation of Investments, 1958			449,284	10,333,410	
1100		10 167 157			
		19,167,157		22,338,30	
*Represents amount overspent.					

AND LIABILITIES ON THE 31st DECEMBER, 1957 LIABILITIES ON THE 31st DECEMBER, 1958

Аѕѕетѕ			ual as at ecember, 1957	31st D	ecember, 1958
		\$	\$	\$	\$
Cash:—					
With Banks:—Current Account		315,446		905,200	
With District Treasuries		307,131		437,205	
In transit		7,244		167,228	
Joint Miscellaneous Fund		929			
With Agents	,	337,545	968,295	103,265	1,612,898
SPECIAL FUNDS INVESTMENTS:—					
Rubber Fund Board		20,000			
North Borneo Widows' and Orphans'					
Pensions Fund		1,018,235		1,404,712	
North Borneo Central Library Bequest					
Fund		2,453		3,794	
Chee Swee Cheng Scholarship Fund		7,343		7,290	
Wee Guan Toh Scholarship Fund		2,260		2,270	
Resident Scholarship Fund		2,930		2,930	
Pauper Fund	. •	159,000	1,212,221	wheelership	1,420,996
Surplus Funds Investments			7,973,412		9,422,696
Advances			9,013,229		9,828,817
Other Governments and Administrations					52,897

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. 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) silver coins in denominations of 5, 10 and 20 cents which are being withdrawn from circulation;
- (c) cupro-nickel coins in denominations of 5, 10, 20 and 50 cents;
- (d) copper and bronze coins in denominations of one cent.

British 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 1958 was \$72,732,489.

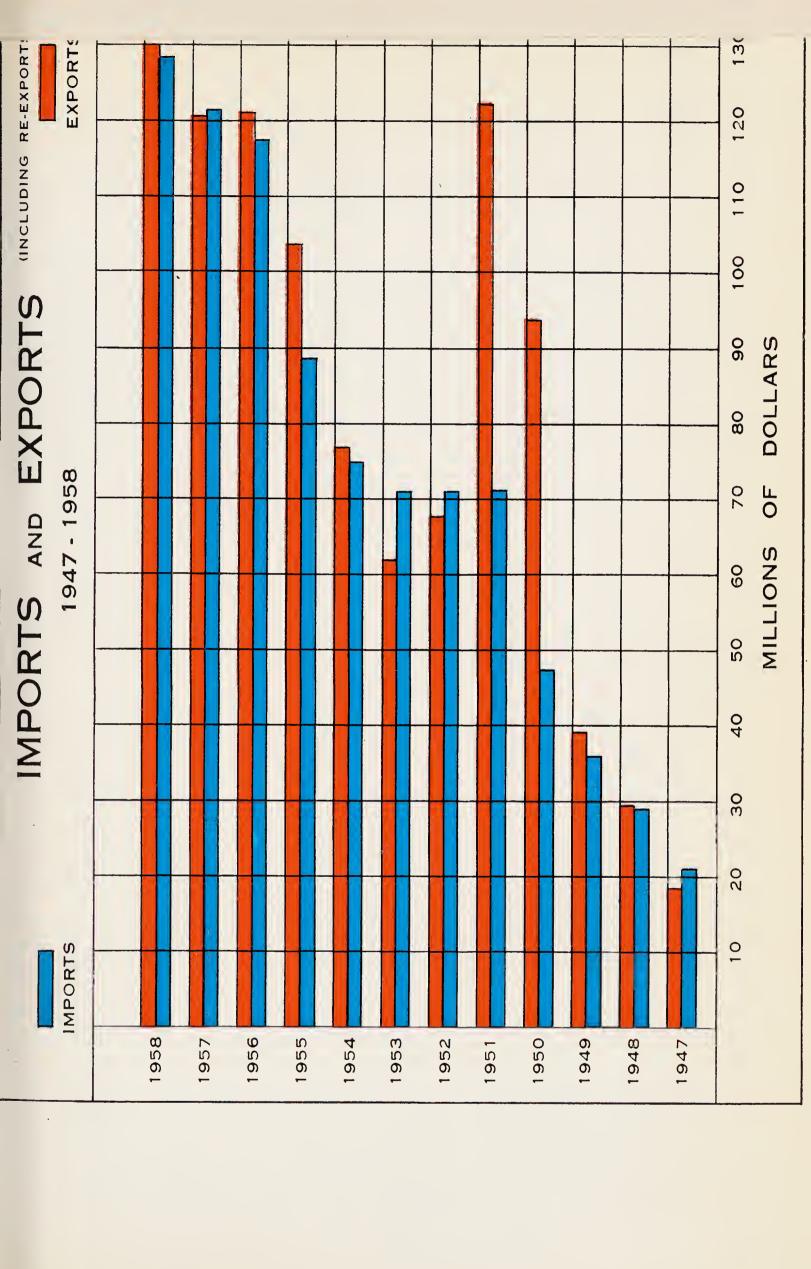
The buying and selling rates of the Malayan dollar fluctuate slightly in accordance with the Singapore market, but for the purpose of converting Malayan dollars into sterling the value of the dollar is taken as 2s. 4d. The following are useful conversion formulae:

- (a) dollars a month x 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;
- (c) \$60 = £7.

Banking

There were two banks operating in North Borneo during the year, The Chartered Bank and The Hongkong and Shanghai Banking Corporation. Both have branches at Jesselton, Sandakan and Labuan. The Chartered Bank also has branches at Kudat, Lahad Datu and Tenom, and The Hongkong and Shanghai Bank at Tawau.

Both Banks provide Savings Bank facilities.



35 VALUES BY COUNTRY OF ORIGIN AND DESTINATION 1958 IMPORTS - EXPORTS 30 DOLLARS 日 日 日 MILLIONS <u>ا</u> 10 S IMPORTS OTHER COMMONWEALTH COUNTRIES NON-COMMONWEALTH COUNTRIES CHINA & FORMOSA CANADA AND BR. WEST INDIES AUSTRALIA & NEW ZEALAND COMMONWEALTH COUNTRIES OTHER ASIA OTHER ASIA HONGKONG

JAPAN

OTHER AMERICA

U.S.A.

OTHER EUROPE

NETHERLANDS

GERMANY

EAST AFRICA

MALAYA

UNITED KINGDOM

SOUTH AFRICA

5)

Chapter 5: Commerce

General

EXTERNAL trade in 1958 was valued at \$258.8 million which exceeded the previous year's record figure by \$16.3 million. The value of imports, including goods delivered into bond, totalled \$128.4 million and exceeded the corresponding figure for the previous year by \$6.8 million. Exports, including exports from bond and re-exports, aggregated \$130.4 million and exceeded the 1957 total by \$9.5 million.

There was a favourable balance of visible trade amounting to \$2 million.

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

				Balance of Trade
			Exports	(+)
		Imports (i	including re-exp	orts) (—)
Year		\$ million	\$ million	\$ 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 av	ailable	
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
1957		121.6	120.9	7
1958		128.4	130.4	+ 2.0

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

Timber, rubber and copra in that order are the Colony's principal exports. In 1958 timber replaced rubber as the principal export commodity. Timber exports continued the increase shown in previous years and exceeded the 1957 figure by 4.4 million cubic feet. There was a slight increase in the production of rubber and exports of copra, including re-exports, increased by

3,500 tons during the year. It is principally on account of the increases in the exports of timber and copra that the value of the Colony's export trade was maintained during a year of fickle prices of primary commodities. Timber production continues to rise as a direct result of the termination in 1952, by agreement, of the timber monopoly held by the British Borneo Timber Company Limited, while copra exports continued to increase on account of the thriving re-export trade from the East Coast of the Colony.

It is Government's policy to diversify the country's economy thus encouragement is being given to the planting of cocoa and oil palms in the fertile volcanic soils of the Tawau Residency and of coffee in the Tenom area. Indications are that all these crops should do well in North Borneo and become important export commodities of the future. Considerable new areas of coconuts have been planted in the Kudat and Kuala Penyu districts. The economy of the Colony is still however, largely based on rubber, the cultivation of which expanded more than any other agricultural product in 1958. Under the auspices of the Rubber Fund Board, 13,000 acres were planted during the year. The production of Manila hemp was lower than in 1957 owing to drought. The "bunchy top" virus disease which previously severely affected the hemp crop is now under control and the immediate future of the crop is bright.

The increase in the value of imports is mainly attributable to a rise in expenditure on provisions, rice and cigarettes (including those bonded for subsequent re-export). Imports of textiles and apparel show a reduction in comparison with the previous year.

The following table shows percentage changes in respect of the quantity, value and average price of the principal exports during 1958 as compared with the figures for 1957:

	Quantity per cent	Value per cent	Price per cent
Rubber	 + 1.84	- 11.39	- 12.98
Timber	 + 20.15	+ 15.39	- 3.96
Copra	 + 5.43	+ 33.92	+ 27.02
Hemp	 - 16.38	- 22.91	- 7.81
Cutch	 + 9.34	+ 3.75	- 5.12
Tobacco	 + 3.14	+ 25.62	+ 21.76
Firewood	 - 12.08	- 38.36	- 29.90
Dried Fish	 + 10.66	+ 53.41	+ 38.63

Imports and Exports

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

	MAIN	IMP	ORTS			
		1954	1955	1956	1957	1958
Provisions	. (000 tons) (million \$)	11.7 9.3	15.4 13.0	19.3 19.3	17.2 15.3	18.9 16.5
Machinery		— 8.4	6.9	10.2	11.7	11.7
Rice	(million \$) . (000 tons) (million \$)	7.9 3.9	15.0 6.4	19.2 19.2 8.3	17.9 8.0	21.9 10.0
Tobacco, Cigars				520.4	1 745 0	1.007.1
and Cigarettes	(million \$)	770.4 4.6	733.6	730.4	1,645.8	9.8
Metals .	(000 tons) (million \$)	5.9 5.3	10.9 7.5	10.1 8.6	8.4 8.9	8.9 8.3
Textiles and Apparel						 5 2
Oils	(million \$)	5.0	5.9	8.3	6.1	5.3
Ons	(million \$)	5.8	5.0	5.6	5.0	4.5
Vehicles .	(Nos.)	2,674	3,580	5,327	4,072	4,340
Connection	(million \$)	2.8 6.3	2.2 7.2	3.3 7.1	3.6 7.4	4.2 8.5
Sugar .	(000 tons) (million \$)	2.7	2.5	2.6	3.8	3.3
Building						
3.4 (1	(000 tons)	13.4 1.3	$23.5 \\ 2.1$	29.2 2.8	29.0 3.3	29.0 3.1
	(million \$)	1.5	<i>∠</i>	2.0	2.2	2/ • 1
	MAIN	EXP	ORTS			
		1954	1955	1956	1957	1958
Timber (Logs						
and Sawn)		10.5	13.2 21.6	15.7 26.2	21.9 31.5	26.3 36.4
Rubber .	(million \$) (000 tons)	17.4 17.1	20.1	19.9	19.9	20.2
Rubbel .	(million \$)	24.0	45.9	40.3	37.0	32.8
Copra * .	(000 tons)	26.6	35.2	59.2	63.7	67.2
PT 1	(million \$) (000 lbs.)	13.8 311.3	14.2 342.5	23.3 302.9	24.0 298.4	32.2 307.8
Tobacco	(million \$)	3.5	3.2	3.4	2.9	3.6
Hemp	(000 tons)	1.9	2.8	2.1	2.9	2.4
-	(million \$)	1.8	2.2	2.1	3.4	2.6
Cutch	(000 tons) (million \$)	5.6 2.8	4.1 2.0	4.4 2.1	3.4 1.4	1.5
Dried and Salt	(11111111111111111111111111111111111111					
Fish	(000 tons)	.6 .5	.6 .4	.8 .9	.6 .5	.6 .6
Firewood .	(million \$) (000 tons)	24.5	25.2	13.7	15.2	13.3
I II CWOOd	(million \$)	.5	.5	.3	.3	.2

^{*} 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

		1957 Value by Percentage		1958 Value by Percentag	
		Country of	of	Country of	of
		Origin	Total	Origin	Total
United Kingdom	\$	28,993,695	24.53	\$ 27,303,585	21.87
Malaya		8,782,214	7.43	8,914,207	7.14
Hong Kong	• •	8,512,018	7.20	9,420,272	7.55
Japan	• •	8,355,680	7.07	8,289,318	6.64
U. S. A		11,418,941	9.66	11,715,397	9.38
Philippine Islands		12,145,449	10.28	17,143,378	13.73
Australia and New Zealan	nd	3,221,041	2.73	3,217,066	2.58
Thailand		9,298,022	7.87	10,422,478	8.35
Indonesia		5,444,597	4.61	5,951,328	4.77
Netherlands	• •	1,407,033	1.19	1,525,982	1.22
Other European non-Comm	non-				
wealth Countries .		3,904,469	3.30	3,807,473	3.05
Formosa		3,271,060	2.77	2,922,644	2.34
India and Pakistan .		1,652,680	1.40	1,569,533	1.26
Germany		2,274,647	1.92	1,904,197	1.53
China and Macao .		3,214,004	2.72	5,123,962	4.10
Other Asian non-Common-					
		4,583,800	3.88	4,057,205	3.25
Other Asian Commonwealth	ì	## 1 CO 1		700 440	
Countries		754,621	.64	529,412	.42
African Commonwealth Countries		301,228	.25	260 022	20
Canada and British West	• •	301,220	.43	369,033	.30
Indies		312,518	.27	281,253	.23
African non-Commonwealth	••	012,010	120 /	201,233	ک سے ہ
Countries	••	81,042	.07	67,797	.05
Indo-China		148,356	.13	149,821	.12
Other American non-Commo	on-				
wealth Countries .	• •	83,147	.07	72,387	.06
Other European Commonwe	ealth				
Countries	• •	16,346	.01	74,942	.06
	\$1	118,176,608	100.00	\$124,832,670	100.00
Postal Articles		3,309,108		3,511,861	
Ship's Stores and Specie .		132,995		145,882	
	\$1	121,618,711		\$128,490,413	
	φ1	21,010,711	_	Ψ120, 1 70, 1 13	



Apas-Quoin Hill Road, Tawau, under Construction.



Cocoa in bearing at Tawau.

TOTAL EXPORTS BY COUNTRY OF DESTINATION

		195		1958		
			Percentage	Value by P	ercentage	
		Country of Destination	of Total	Country of Destination	of Total	
United Kingdom	\$	23,062,271	19.30	\$ 22,815,062	17.74	
Other European non-Comr wealth Countries	no n-	7,945,347	6.65	4,795,794	3.73	
Malaya		21,490,284	17.98	13,233,280	10.29	
Hong Kong		10,844,468	9.08	7,864,164	6.11	
Japan		19,976,835	16.72	42,652,067	33.15	
Philippine Islands		8,568,558	7.17	7,316,567	5.69	
Australia and New Zeala	ınd	6,611,892	5.53	7,917,163	6.15	
Germany		2,842,454	2.38	1,617,556	1.26	
U. S. A		1,676,261	1.40	4,311,200	3.35	
Other Asian Common-		4 2 6 2 0 1 6	2.65	£ £10.000	4.00	
wealth Countries		4,363,016	3.65	5,510,092	4.28	
Nétherlands	• • •	1,795,914	1.50	3,751,378	2.92	
African Commonwealth Countries		1,239,057	1.04	1,211,054	.94	
Indonesia		248,523	.21	1,016,447	.79	
Other Asian non-Commonwealth Countries	-	321,631	.27	8,762	.01	
Other American non-Com	mon-					
wealth Countries		31,028	.03	1,546,712	1.20	
China and Macao	• • •	5,574,380	4.67	2,649,586	2.06	
Thailand	• • •	6,400		300		
India and Pakistan	• • •	2,644,189	2.21	20,233	.02	
African non-Commonwealt Countries	:h 	4,626		258,410	.20	
Canada and British West Indies	• • •	242,958	.20	147,303	.11	
Other European Common wealth Countries	-	10,800	.01	450	*****	
Indo-China	• • •	20				
Postal Articles		6119,500,912 64,873	100.00	\$128,643,580 33,072	100.00	
Ship and Aircraft Bunkers and Stores		1,304,456		1,764,423		
	\$	5120,870,241		\$130,441,075		
			_			

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

				1956	1694	1958
				per cent	per cent	per cent
Rubber						
Malaya				36.2	35.6	27.3
United Kingdom		• • •		36.6	31.4	28.9
Hong Kong	• • •		• • •	10.1	8.1	6.1
Germany		• • •	• • •	10.5	5.7	3.1
Other European non	-Comr	nonwealth		. .		
Countries	• • •	• • •	• • •	5.6	6.8	2.5
Japan	• • •	• • •	• • •		10.5	29.5
U. S. A	• • •	• • •	• • •	.2	.8	1.6
Netherlands	• • •			.3	.1	.7
Canada and British				.4	.6	.3
Australia and New Z	Zealand		• • •		.1	
China and Macao	• • •				.3	
Other Asian Commo					quadant	***************************************
Other American nor	n-Comr	nonwealth				
Countries	• • •		• • •			
Other Asian non-Co	mmon	wealth		1		
Countries	• • •	• • •	• • •	.1		
				100.00	100.00	100.00
				10000		
Timber						
Japan				43.7	45.3	56.5
TY Wana	•••	•••	• • •	21.4	21.2	13.8
Assetuatio	• • •	• • •	• • •	15.6	20.0	20.5
United Kingdom				11.5	7.5	3.3
African Commonwea				5.0	3.9	3.3
U. S. A	itii Co	•••		2.2	.5	1.0
	• • •				.1	.1
Germany Other Asian Commo	 nwealtl	Countries		directly stated in the state of	****	
2 / 1		Countries		.1	.1	.2
Malaya Netherlands	• • •	• • •	• • •	.2		
Other European nor	···· n=Comr	nonwealth	• • •			
Countries		nonweam.		.1	.1	.4
African non-Commo	nwealtl	Countries				
Canada and British						
New Zealand	• • •			.2	.4	.8
China and Macao	• • •	• • •			.9	.1
Cilina and Madae	• • •	•••	,			100.00
				100.00	100.00	100.00
Estate Tobacco						
				100.00	100.00	100.00
United Kingdom	• • •		• • •	100.00	100.00	100.00
Firewood						
Hong Kong				100.00	100.00	100.00

				1956 per cent	1957 per cent	1958 per cent
Copra						
Netherlands	 -Comm	 onwealth		14.8	6.7	10.6
Countries	• • •	• • •		52.5	21.5	11.4
Germany		• • •		4.8	2.2	1.2
United Kingdom				21.7	17.5	20.9
Malaya				2.1	17.0	1.3
Other Asian non-Co	mmonw	vealth				
Countries		• • •		.5	.8	•
China and Macao				gament-contraste	21.2	8.0
British Countries in	Americ	a		1.0		•
South Africa		• • •		.1	-	gg-dy-dis-millions
African non-Common	wealth	Countries		2.5	and de PROPERTY and Masses	.8
India and Pakistan		• • •		and distribution for the same of the same	10.9	,
Japan		• • •		A	1.9	36.4
U. S. A		* * *		Quit-man-k-k-k-k-k-k-k-k-k-k-k-k-k-k-k-k-k-k-k	.2	4.6
Other American non		onwealth				
Countries			• • •	and the second	.1	4.8
				100.00	100.00	100.00

Hemp				(17	53.7	47.8
United Kingdom	• # •	• • •	• • •	64.7	30.3	13.4
Japan	• • •		• • •	14.7		1.1
Germany	• • •		• • •	6.1	1.0	.8
Netherlands			• • •	2.0	3.3	.0
Australia and New !				8.9	1.3	@pahatinahiji
Other European non				2.0	2.1	2.3
Countries	• • •	• • •	• • •	1.6	4.8	32.7
U. S. A	• • •			1.0	3.5	1.9
China and Macao	• • •	• • •	• • •			
				100.00	100.00	100.00
Cutch						
XI CI A				67.7	69.9	73.1
Japan	• • •			20.7	17.8	18.0
Other European nor						
Countries	• • •	• • •		8.4	8.7	6.5
Hong Kong				1.3	aspumenth	-
United Kingdom	• • •			1.0	2.0	1.1
Netherlands	• • •			.7	1.1	.9
Canada	 nivoalth	Countries		.1 .1		.4
African non-Commo Singapore				. 1	.4	
Singapore British Countries in	Ameri	 ca			.1	gr,m.n.m.
Dividir Countries III				100.00	100.00	100.00
				100.00	100.00	200100

The principal changes of interest in the destination of exports are the fall in exports of rubber to Malaya, Europe and Hong Kong, of timber to Hong Kong and the United Kingdom, and of copra to Malaya and China and the corresponding increase in the export of these commodities to Japan. There was a considerable increase in the export of hemp to the U. S. A. to offset the fall in exports to the United Kingdom and Japan.

In 1958 Japan purchased about one-third of the Colony's total exports.

The volume of exports to Japan was markedly affected by a decrease in freight rates which was particularly beneficial to the timber industry.

Control of Imports and Exports

The direct importation of goods from United States dollar countries continued to be restricted, preference being given to plant and machinery essential for the development of the Colony and to articles the direct importation of which would tend to reduce the local cost of living. At the end of the year an Open General Licence was issued to take effect on the 1st January, 1959, which liberalised the vast majority of goods required to be imported from the dollar area including Canada. Importation of goods not liberalised will remain subject to quota with the same criteria of essentiality applying as previously.

The direct importation of goods from Japan is subject to quota and a fair degree of liberalisation in this trade was exercised during the year.

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 foodstuff is subject to quota.

The exports 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 Superintendent of Customs is the Officer in Charge of Customs; and at Sindumin, Sipitang, Weston, Mempakul, Semporna and Bakapit the stations are run

by Customs Officers. The Customs station at Wallace Bay is staffed by Customs Officers on temporary posting from Tawau. Ships calling at Bohayan Island are supervised by Customs Officers from Lahad Datu.

Legislation

The Department of Trade and Customs continued to be responsible for the administration of the Customs Ordinance (Cap. 33) and the Liquors Revenue Ordinance (Cap. 73) and the Regulations and Orders thereunder.

Labuan

The island of Labuan has enjoyed the privileges of Free Port status, under which no export duty and no import duty is paid except on intoxicating liquors, tobacco, cigars, cigarettes and petroleum products since September, 1956. Merchants on the island headed by the Free Port Guild of Labuan, continue their endeavours to increase the importance and usefulness of the island as an entrepot port.

Barter Trade

There is a considerable barter trade at the ports of Tawau, Sandakan, Lahad Datu and Kudat. Towards the end of the year Semporna re-entered the barter trade and a small amount of trade was handled as far west as Jesselton and Labuan. Copra, seashells, sugar, coffee, rubber, jelutong, pepper, sponges 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. Large umbrella sheds to accommodate copra in the port area at Sandakan were completed during the year.

Transit Trade

The transit trade along the whole coast of the Colony during the year totalled approximately 67,070 tons compared with 76,650 tons during 1957.

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 3,222 square miles, but will in due course be increased to 6,358 square miles when the present programme of reservation is completed. Native reserves amount to 45,268 acres and reserves for other purposes to 12,331 acres. Concessions for oil and certain mineral rights cover the island of Labuan and 1,000 square miles of the mainland. Oil exploration rights have also been granted over territorial waters and the continental shelf off the West Coast.

A table at Appendix IV gives the 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 in 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 concern to Government.

Shifting cultivation remains a difficult problem. Aerial photographs and ground inspections have shewn that during recent years appreciable areas of potentially valuable commercial timber have been destroyed. In the long run the solution is clearly to induce these hill Natives who still practise shifting cultivation to adopt a more settled form of agriculture in the lowlands; this must necessarily be a slow process but there are indications, particularly in the Interior, of a gradual move in this direction.

During the year Land Utilisation Committees were established at Tawau, on the East Coast, and at Keningau in the Interior, and it is expected that in due course similar committees will be set up in other districts. These committees, on which all interested Government Departments are represented, are intended to ensure that development is properly planned in the initial stages and that the Colony's main asset, its land, is put to the best possible use.

Land Settlement

In the Keningau Plain, where the ground is being prepared for a settlement scheme based on an integrated community and involving a co-operative effort between the Government, the Colonial Development Corporation and the farmers, investigation surveys covering 4,000 acres were completed during the year.

At Masak, also near Keningau, some fifty lots covering 500 acres were laid out for Chinese settlers and approximately three miles of earth road were constructed to give access to the area

from the Melalap-Keningau Road.

At Quoin Hill, Tawau, where a number of concerns are interested in acquiring land for cocoa growing, a topographical survey was completed for the location of roads and the preparation of a layout of holdings.

The demand for land along the jeep tracks continued unabated. 2,478 land applications covering 16,000 acres were surveyed during the year, most of them for high yielding rubber. The number of applications for land outstanding at the end of the year was 14,047, an increase of 581 over the corresponding figure

Lands and Surveys Department

The Lands and Surveys Department is under the direction of a Director, assisted by a Deputy, with Headquarters in Jesselton. District Survey Offices under the control of District Surveyors were maintained during the year at Labuan, Sandakan, Tawau and Keningau. The surveyor seconded to the Colony from New Zealand under the Colombo Plan was stationed in the Interior for the first six months of the year before moving to Tawan.

At the end of 1958 the staff of the Department, in addition to the Director and the Deputy Director included a field staff of five District Surveyors, two Assistant District Surveyors, two Senior Survey Assistants and forty-four Survey Assistants and an office staff of one Survey Superintendent, one Chief Draughtsman and forty Draughtsmen/Computers.

The Field staff of the Survey Assistant grade are mostly prismatic compass surveyors and probationers under departmental training prior to being sent out to the field. Four Survey Assistants were in Australia during the year (where they had been sent in 1955 under the Colombo Plan) continuing training to qualify as surveyors.

The Colony's land system is, broadly speaking, based on the principles of the Torrens system of registration of title to and dealings in land. The main activity of the Survey Section is the execution of cadastral surveys to guarantee titles to Crown land alienated to lessees. Other activities include the preparation of Town and Village plans, the planning of land development schemes and surveys connected with projected road building programmes approved by Government. The Land Section supervises the administration of the Land Ordinance and the collection of land revenue.

The total land revenue collected by the Department during the year was \$2,546,601 compared with \$1,652,850 in 1957. This revenue was derived principally from land rents (\$843,737), and premia on leases (\$1,208,938). The total expenditure of the Department, including special expenditure, was \$966,289 as compared with \$903,038 in 1957.

Survey Party from the Directorate of Overseas Surveys

One surveyor from the Directorate of Overseas Survey continued the triangulation work commenced in 1956.

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 leasehold 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 almost 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.

The legal definition of a Native previously published is omitted on this occasion as the definition is at present under review and will be shortly amended by the Interpretation (Definition of

Native) (Amendment) Ordinance.
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.

It was decided in 1958 to undertake the periodical revision of rent provided for in respect of titles issued under the Land Proclamation, 1913, and subsequent Land Ordinances. By the end of the year the rents of 1,156 titles had been revised by order of the Assistant Collectors of Land Revenue out of a total of some 5,800 titles liable to revision.

Dealings in Land

The number of dealings in land registered in the office of the Director of Lands and Surveys during 1958 was 2,470 as compared with 2,545 dealings registered in 1957. Details of the dealings registered are as follows:

Nature of Dealings	1957	1958
Charges	539	615
Satisfaction of Charges	257	301
Surrenders of Titles	195	231
Transfers	1,209	1,104
Orders in respect of estates of	,	~,~~.
deceased registered proprietors		
of land	246	177
Various, not otherwise classified	99	42

TOTAL	2,545	2,470

Note:—The above figures relate to Central Land Office dealings only.
Published figures in 1957 Report also included Outstation dealings, now omitted.

Land Ownership

The area held under Native Title, excluding Native reserves is approximately 135,400 acres. Generally speaking, the land occupied by Natives is rice land, 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 provision for the settlement of Native customary rights to land, but, in fact, all litteral districts in the Colony have long been settled.

Excluding town areas, non-indigenous inhabitants hold leases for approximately 530,000 acres. Of this 218,000 acres are European owned, the balance being occupied by Asians, the majority of whom are 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 and vegetable gardens.

AGRICULTURE

The very dry weather, which characterised the latter part of 1957, continued into the third quarter of 1958; this had an adverse effect upon agriculture generally and caused a rapid increase in pests such as locusts and army worms.

Rubber maintained pride of place as the country's most important crop and again showed a significant increase in acreage. The year, however, was marked by a growing interest in other plantation crops of high economic value and by advance in their establishment. Coupled with this the progress of soil surveys to date has been such as to permit the setting up of Land Utilisation Committees. Land settlement schemes at Binaong and Limbawang, initiated in 1954, gave ample proof of their success.

The establishment of a development training centre in connection with the Semporna peninsula was receiving consideration at the year's end, as was a proposal for the establishment, in 1959, of a Research Centre for the department.

Rice

Predictions regarding the 1957/58 padi crop proved true. Drought brought about a reduction in the area planted with wet padi of 2,230 acres. This was offset slightly by an increase of some 3,000 acres of dry padi. Overall, however, the total estimated yield was some twenty-two per cent below that of the previous year.

The total estimated yield of padi was 46,591 tons equivalent to 28,886 tons of rice. Of this 43,121 acres of wet padi produced 35,055 tons while dry padi yielded some 11,536 tons of padi from 32,301 acres.

Continued drought gave cause for alarm in respect of the 1958/59 crop, and it was feared that non-irrigated areas might not be planted. However, rain came at the critical moment and the acreage planted was well up to normal. Weather subsequent to planting was favourable to the crop and although yield data cannot be finalised until March 1959, the indications are that yields well above average will be obtained.

A feature of the 1958/59 season was the success of the Irrigation Schemes at Papar and Tuaran. Both schemes worked well in the face of severe drought which did a great deal to consolidate their position in local agriculture.

Rubber

The price of rubber declined steadily from £212 per ton at the beginning of the year to £175 per ton during May. Thereafter the price rallied and rose steadily to reach £222 per ton in November. The average price for the year was £196 per ton as compared with £219 in 1957 and £237 in 1956.

Despite low prices in the early part of the year production rose slightly and a total of 20,235 tons was exported as against 19,870 tons in 1957 and 19,859 tons in 1956.

The total area under rubber at the end of 1958, was 148,952 acres, an increase of 11,952 acres over 1957. This increase was achieved by the planting of 12,780 acres by smallholders and 1,022 acres by estates. In addition, 362 acres were replanted by smallholders and 1,489 acres by estates.

A total of 7,300,000 Tjir 1 seeds, mostly from estates in Malaya, produced 2,929,595 Clonal Stumps on twenty-one nurseries for distribution to smallholders while 35,035 yards of budwood were supplied from Rubber Fund Board Nurseries. Applications for the planting of ordinary seed for subsequent budding were approved to the extent of 2,387 acres.

4,590 applications totalling 20,097 acres were received for new planting in 1959, 286 totalling 1,164 acres for replanting and 132 totalling 1,400 acres for planting with ordinary seed for subsequent budding, making a total of 22,661 acres in all.

Coconuts and Copra

There was no indication of any significant increase in planted acreage which may well have been due to unfavourable planting conditions in the early part of the year. However, interest in the

crop on both an Estate and a Smallholder basis, was pronounced in the second half of the year, and this it is hoped will lead to substantial new planting and replanting.

Exports (including re-exports), for the year were as follows:

	Quantity	Value
		\$
Copra	67,182 tons	32,152,379
Coconut oil	25.16 tons	20,137
Fresh nuts	1,446,900 nuts	144,915

Pest Control measures based upon voluntary Pest Control Committees continued to work efficiently and there were no significant outbreaks of coconut pests.

Tobacco

Darvel Tobacco Plantations Limited had a satisfactory year with an export of 291,227 lb. of tobacco valued at \$3.5 million (\$2.9 million in 1957).

Despite persistent drought, production by smallholders was maintained and consumed largely on the local market, although 16,567 lb. valued at \$30,541 were exported. The study of methods of curing and fermentation are proceeding.

A baca

The application of control measures which proved effective against Bunchy Top Disease in hemp and cultivated and wild bananas during 1957 were rigorously continued and the disease position remained satisfactory although there was some increase in the disease towards the end of the year.

For phyto-sanitary reasons the investigation of the disease was transferred from the hemp growing area of Tawau (East Coast) to the Central Agricultural Station, Tuaran (West Coast). The investigation continues. Efforts, however, to obtain an Entomologist who had specialised in aphids to work in conjunction with the Plant Pathologist conducting the investigation have proved fruitless.

Borneo Abaca Limited, operating three hemp estates maintained a planted area of 4,052 acres of which 3,010 acres were mature, at the year's end.

The prolonged drought in the early part of the year had an adverse effect upon growth and production fell slightly. Approximately 2,400 tons of commercial fibre valued at \$2,619,676 were exported during the year as compared with 2,900 tons (revised figure) in 1957.

Cocoa

Cocoa continued to grow exceptionally well on the basaltic soils of the Semporna peninsula and the opinions of visiting authorities who observed the various crops were most encouraging. Interest in the crop runs high.

Borneo Abaca Limited increased their planted acreage to 520 acres; the stand on the departmental Cocoa Station at Quoin Hill was increased to fifty acres and a Clonal Nursery containing some forty varieties of selected cocoa imported through Malaya was established. In addition, a commercial concern planted up the initial fifty acres of a 5,000-acre cocoa reserve and applications for cocoa land totalling some 3,000 acres were under consideration.

Oil Palm

The commercial planting of Oil Palms got under way during the year and the first five acres of a proposed 5,000 acres estate was planted up by Mostyn Estates Limited. Growth to date is considered to be exceptionally good. The estate also maintained nurseries which will allow of the planting of a further acreage in 1959.

Plans were drawn up for the opening of a Departmental Oil Palm Station and to this end nurseries, sufficient for the planting of 150 acres in 1959, were laid down on behalf of the Department of Agriculture by Mostyn Estates Limited.

A small scale trial, using Dumpy Palms, planted on rich alluvial clay was laid down at Limbawang on the West Coast and initially shows promise.

Sago

The Sago Palm continued to be exploited as a source of wet sago for local consumption and the production of attap.

Local interest is still shown in the possible production of high quality White Sago. However, the complete absence of clear water in the area concerned has proved an insurmountable obstacle. Success will depend upon water clarification being possible and economic.

Coffee

Interest in the crop continued and while the acreage was well maintained there was no indication of any substantial increase.

The necessity for controlling Berry Borer is slowly becoming accepted by local growers many of whom have now purchased their own bucket pump sprayers. Berry Borer nevertheless remains a major problem in almost all coffee producing areas and constant departmental effort is required if the pest is to be kept under control.

Other Crops

Maize, Groundnuts and Soya beans continued as important annual crops and although yields were greatly reduced by drought in the early part of the year, production, which in the main is specific to certain areas of the Colony, was greatly enhanced as a result of catch cropping in connection with new Rubber planting.

Maize and Groundnut varieties were imported for trial from Kenya and Nigeria respectively. Results to date have not been encouraging.

Fruit

Drought in the early part of the year seriously affected fruit propagation and demand still far out-strips supply. Of budded trees lifted at the Central Agricultural Station during the year a majority were either despatched to, or reserved for, Agricultural Stations throughout the Colony and only a small part of the backlog of orders from the public could be met.

Work with regard to Citrus was concentrated on root-stock trials and to this end Calamodin, sour orange, sweet orange and Mandarin were sown and rough Lemon imported from Singapore.

Strawberries and sub-tropical fruits continued to thrive at Kundasan High Altitude Agricultural Station. It is as yet too early to assess their possible economic importance.

Staff and Policy

The Establishment of the Department of Agriculture consisted of, during the year, a Director, an Assistant Director, an Administrative Assistant, five Agricultural Officers, two Soil Scientists, one Plant Pathologist, three Assistant Agricultural Officers, one Assistant Entomologist, seven Senior Agricultural Assistants, six Agricultural Assistants, twenty-one Junior Agricultural Assistants, one Assistant Fisheries Officer, one Junior Fisheries Assistant, one Veterinary Officer, one Assistant Veterinary Officer, five Senior Veterinary Assistants, two Veterinary Assistants, twelve Junior Veterinary Assistants, one Co-operative Officer and two Co-operative Assistants.

On the Agricultural side a redistribution of Staff throughout the Colony, designed to give greater and more detailed coverage, was put into effect during the year.

Departmental policy, as in the past, is aimed at a balanced increase of livestock, foodstuff and economic crops; the introduction and establishment, where suitable, of new and improved types of livestock and economic plants; the improvement of methods of cultivation and husbandry; the survey and development of new areas suitable for agriculture; the effective control

of pests and diseases; the investigation, on experimental stations and in the field, of all problems relating to livestock and crops so as to obtain accurate information on which to base plans for future development.

Agricultural Experimental Stations

Thirteen Agricultural Stations and Experimental Plots continued in operation. Policy has been to ensure that in the case of all Stations and Plots, the correct crop is grown in the correct soil; hence a number of stations have tended to become more specialized in function. Thus at the Central Agricultural Station work is concentrated on fruit and padi and inland fisheries. Inanam, Bingkor and Papar are exclusively padi, Quoin Hill is exclusively concerned with cocoa and Kundasan with high altitude crops, livestock work is being concentrated at Keningau with further work on cattle and buffaloes proceeding at Sorob. Stations at Tawau, Ranau, Kota Belud and Limbawang remain of the general purpose type.

Investigations during the year included work on economic crops such as rubber, cocoa, padi, coconuts, oil palm, coffee, fruit, vegetables and grass and on cattle, buffalo, pigs, poultry

and freshwater fish.

Agricultural Education

Short courses on Agricultural Stations again featured prominently in the sphere of Agricultural Education and plans were made during the year to extend and elaborate these courses in the future.

In addition, a total of 435 Smallholders, Estate workers, and students attended courses in Rubber budding and of these 301 were awarded certificates of efficiency. Training took place both at Rubber Fund Board Nurseries at Tuaran, in kampongs and in schools.

With the recruitment of an artist, the production of illustrated advisory leaflets and posters started. Initially these were concerned with rubber planting, particularly planting and terracing, and with pest and disease control.

Pests and Diseases

With the continuing drought in the early part of the year, locusts continued to cause trouble in Kudat District and there were frequent outbreaks in other districts, notably Kota Belud. However, reports of all outbreaks were received sufficiently quickly to allow for the early introduction of control measures. A routine, involving the use of small hand sprayers, which had been evolved in 1958, worked smoothly. As a result nowhere was damage serious,

There were spasmodic outbreaks of Army Worms during the third quarter of the year; the padi crop was chiefly concerned. Damage was slight and outbreaks quickly controlled.

Organised voluntary teams operated efficiently against Sitora nitens and Artona catoxantha in both Kudat and Tawau districts and damage to coconuts proved insignificant.

The Coffee Berry Borer continued to cause trouble but there is evidence that smallholders are beginning to accept control measures as essential to economic coffee production.

Control measures employed against Bunchy Top disease of hemp during 1957 were rigorously continued; the incidence of disease remained low and control was economic.

Soil Surveys

A qualified Assistant Chemist was recruited for the Soils Laboratory at Sandakan in the middle of the year, while an Assistant Agricultural Officer proceeded to New Zealand to study Chemistry, under the auspices of the Colombo Plan, towards the year's end. A total of 166 samples were completely analysed and some 1,937 determinations carried out during the year.

On the West Coast surveys of the Sook Plain, the Pinosok Plateau, an area to the South of the Liwagu River, and the area east of the Ranau plains including the headwaters of the Sugut River, were completed on a reconnaissance basis. A traverse was made over the Crocker range from Ranau to Tamparuli and a major reconnaissance was carried out between Ranau and Telupid. In addition, peat areas at Bongawan and Papar were examined to assess the feasibility of growing rubber and rice.

On the East Coast the survey of the Mount Wullerdorf area of the Semporna Peninsula was completed. The Survey of this peninsula is now complete with the exception of a small area to the extreme northwest which will be surveyed early in 1959. The area has now been completely mapped in the scale 1:25,000 and 1:50,000; in addition, generalized maps in the scales 1:100,000 and 1:500,000 have been completed.

Co-operatives

Two Co-operative Assistants were recruited during the year. Co-operative Legislation was drawn up and passed by Legislative Council and the Co-operative Society Ordinance and Rules are scheduled to be brought into operation on 1st January, 1959.

"A Guide to Co-operation", a booklet giving a brief outline of the principles, practice and growth of the Co-operative movement with reference to its application to North Borneo was produced and printed early in the year and by the year's end "A Guide to Co-operative Legislation" was almost complete.



Pending the coming into force of the necessary Legislation no societies could be registered during the year. However, possible projects were investigated in the spheres of Fishing, Thrift and Loan, Stock Raising, Land Development, Retail Stores and Rubber Processing.

It seems clear that there is ample scope for co-operative activity in the Colony and initially marketing has aroused the greatest interest.

During the year an application was made to the International Labour Office for the services of a Co-operative Expert to survey conditions and possibilities amongst Chinese communities and to give on the spot training to a Chinese Co-operative Assistant. The Expert is due to arrive in the Colony in January, 1959.

Mechanisation

There was no significant advance in mechanisation during the year. Medium powered tractors continued to be used on Agricultural Stations and Rubber Estates; there is considerable interest amongst smallholders in mechanisation but lack of communications makes the maintenance of tractors in any but the more accessible areas either excessively expensive or impracticable. A few smallholders maintained tractors during the year but road-haulage featured in their programme to a greater extent than agriculture.

ANIMAL HUSBANDRY

The present domestic livestock population is estimated as follows:

Ponies	 	 4,000
Cattle	 	 30,000
Buffaloes		 100,000
Pigs	 	 150,000
Goats	 	 30,000
Poultry	 	 4,500,000

These figures are based upon the findings of the 1950 World Census of Agriculture. However, development in animal husbandry in the last eight years has been such as to make this basis unreliable and pending the completion of the 1960 Census the figures given must be treated with considerable reserve.

The numbers of animals slaughtered in local abattoirs are given below. These, however, do not include those animals slaughtered in the Kampongs and on Estates:

Cattle	 	 1,084
Buffaloes	 	 4,557
Pigs	 	 30.812

The numbers of livestock exported from the Colony were:

Cattle			• • •	94
Buffaloes				1,548
Pigs	• • •	• • •	• • •	2,518
Goats				391
Ponies				8

The greatest advance during the year was in practical steps taken by companies and private individuals to develop livestock enterprises. Considerable interest has been shown in the livestock industry in recent years but in 1958 active steps were taken to acquire land and cattle, and to fence and erect the necessary buildings.

The demonstration of pasture management at Keningau has been most successful. Further sub-division of paddocks has made it possible to stock heavily and move frequently. Despite the fact that the first half of the year was one of the driest on record it was possible to hold stock at a rate of approximately one beast to the acre throughout the whole year.

At Tawau the management of cattle under coconuts proceeded most promisingly. It has been clearly shown that, where controlled grazing is practised, a considerable increase in yield of coconuts accrues. A lot remains to be done, however, if control of trash, weeds and insect pests, and a consequent reduction in up-keep costs, is to be achieved.

The importation of day-old chicks has continued although alterations in plane schedules have created difficulties. The demand is now more towards New Hampshires and White Leghorns which are imported from U.S.A. via Japan than for Rhode Island Reds and White Leghorns from Australia.

Poultry foods are now being imported and stocked in the Colony, which is a matter of great importance to future development.

Several examples of intensive housing of poultry on wire-mesh over fish ponds are proceeding satisfactorily, and seem to be equally as advantageous as the combination of pigs and fish ponds.

Trade in pigs has continued but has been rather disjointed due mainly to the problem of marketing. Certain old established markets in Sarawak are now being supplied either from Sarawak or Singapore where a superior pig is produced. Hence there is a danger of over-production and supply tends to fluctuate. It is, therefore, essential that a type of pig be used in North Borneo which can compete favourably with any in South-East Asia at a reasonable price.

During the year fifty-four head of "Bali" Cattle were imported into the Colony. Half of these were taken over by Borneo Abaca Limited while the remainder were divided between Tuaran and

Tawau Agricultural Stations. Bali cattle are reputed to be superior to ordinary cattle as browsers on rough grazing; it is proposed to multiply them and, if they are in fact found to be superior to local breeds, to distribue them to smallholders.

Disease

No major outbreak of disease occurred during the year. Quarantine regulations have been strictly enforced and North Borneo owes much of her most fortunate position in being free from all the major epizootics to these controls.

Surra was again under control; since 1953 there have only been two minor outbreaks in 1954, and again in 1957; otherwise the Colony has been free of this disease. Improving means of communication are undoubtedly helping considerably with the work.

Ranikhet disease of poultry continues to be a problem but vaccination controls this well in areas where staff and the weight of population make adequate coverage possible. Fowl Pox and Coccidiosis continued to be major scourges of poultry. Vaccination against Ranikhet was very popular, a total of 741,744 birds being protected during the year. The value of vaccination against Fowl Pox is being appreciated, some 53,857 birds being protected. Vaccine is reserved for imported birds and young chicks, as local adults fowls appear to have a high degree of resistance. Coccidiosis is controlled by medication either of food or drinking water.

Contagious ecthema of goats occurred in the Tawau area although the rest of the Colony appears to be free of this disease.

Three new Veterinary stations were established during the year and with the recruitment of two more Senior Veterinary Assistants it has at last become possible to post some Veterinary Staff to all main areas in the Colony. The improvement in communications has greatly helped and Senior Veterinary Assistants now have areas round which they can travel fairly easily.

The laboratory has continued with investigation and diagnostic work throughout the year and has settled down to a steady and reliable standard of work. Besides its purely veterinary work, it has assisted the Medical Health Services and the Public Works Department in water testing and other cultural bacteriological work.

FORESTS

The Forest Estate

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

Class of Forest	(areas	Total area in square		
	Crown	Com- munal	Alie- nated	miles
(1) Productive or potentially				
productive Dipterocarp	9,761		239	10,000
(2) Productive Fresh-water Swamp	250			250
(3) Mangrove	1,100			1,100
(4) Inacessible Dipterocarp				
(mostly mountainous)	8,200			8,200
(5) Montane	1,600	<u> </u>		1,600
(6) Secondary, not under current				
shifting cultivation	2,500			2,500
Total	23,411	-	239	23,650

During the year new forest reserves totalling 1,145.5 square miles were constituted while 1.9 square miles were dereserved. These increased by more than fifty per cent the total area of reserved forest, which at the close of the year covered 3,222 square miles, or 10.9 per cent of the whole area of the Colony. In addition preliminary steps were taken for the reservation of a further 395 square miles of forest which, together with 943 square miles of forest remaining under preliminary notification from previous years, brings the total area of notified Forest Reserves to 1,338 square miles. Proposals were circulated for the reservation of an additional 1,798 square miles. When this programme has been completed 24.0 per cent 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 longterm 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 forests to them and their descendants.

The Forests Ordinance (Cap. 169) and Forests 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 eighty 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 eight feet obligatory girth limit, though the lessee is permitted to fell down to six feet in girth should he desire to do so. It is hoped that by the end of 1959 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. 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 3,900 square miles of the forests of the Colony from air photographs and existing map data was completed by the Forest Department Cartographer during the year.

Protection

The total number of forest offences reported increased by twelve cases compared with the 1957 figure to 142 cases. The total value of fines collected decreased, however, from \$8,797.57 in 1957 to \$8,007.28.

Longhorn beetle damage in Kalabakan Forest Reserve continued to cause concern; borer attack in the living tree was found to be particularly heavy in certain parts of the Ulu Kalumpang Forest Reserve.

Silviculture

A general flowering and fruiting of Dipterocarps took place throughout the Colony, the first species to fruit being urat mata (Parashorea malaanonan).

Poison girdling was continued of unwanted trees remaining after timber exploitation in all Reserved Forests under felling. A total of 19,306 (6,675) acres was treated at a total cost, including poison of \$96,723 (\$60,773) or \$5.01 (\$9.10) per acre. The poison used for the greater part of this work was sodium arsenite at a concentration of two lb. per gallon of water, though butyl ester was used to treat 246 acres.

Regeneration developed extremely well in forests treated during 1956 and 1957, and profuse regeneration was found to be present in all areas felled and girdled in 1958. In view of the large amount of regeneration present the lower limit of trees girdled was in general raised from two inches to six inches in diameter, thus considerably reducing the cost of the operation.

Exploitation

The production of timber during the year rose by approximately twenty per cent on the total for 1957 to 32,027,506 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 four important non-Dipterocarp timbers, belian (Eusiderozylon zwageri), merbau (Intsia spp.), ramin (Gonystylus spp.) and jongkong (Dactylocladus spp.). The total volume of these non-Dipterocarp timbers produced was, however, very small.

The timber industry consists of four large oversea 21-year concession holders (The British Borneo Timber Company Limited, The North Borneo Timbers Limited, The Bombay Burmah Trading Corporation, Limited and Kennedy Bay Timber Company Limited), three large local companies with whom concession agreements are being finalised, and some sixty-nine local firms who are working under short-term (annual) licence. Approximately sixty-nine per cent 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 showed little change during the year, the number of mills being fifty-five. The total input was some 4,500,000 cubic feet compared with 4,624,000 cubic feet in 1957. The outturn of sawn timber increased in all districts except Sandakan; the latter offset the increases elsewhere. Details of the sawmills in operation at the end of the year are as follows:

District	No.	of Mills	Input (cu. ft. Hoppus)	Outturn (cu. ft. as measured)	Recovery (per cent)
Tawau	• • •	8	1,147,116	584,213	51
Sandakan	• • •	15	2,081,496	1,037,738	50
Lahad Datu		8	200,426	112,542	56
West Coast	• • •	24	1,064,724	623,801	59
TOTAL	• • •	55	4,493,762	2,358,294	52

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

Class of Produce		1957	1958		
Firewood	• • •	1,090,140 pikuls	988,040 pikuls		
Charcoal	• • •	20,654 pikuls	23,269 pikuls		
Cutch		3,399 tons	3,836 tons		
Birds' Nests		306 pikuls	349 pikuls		

The following exports of these products were made:

		195	57	1958		
Class of Produce		Quantii		Quantity		
			\$		\$	
Firewood (pikuls)	• • •	255,087	340,255	224,263	209,734	
Charcoal (pikuls)		18	139	2	35	
Cutch (tons)	• • •	3,405	1,419,168	3,723	1,472,356	
Damar (tons)		1,760	404,934	1,914	425,729	
Birds' Nests (pikuls)		268	169,704	296	211,379	
Illipe nuts (tons)	• • •	19	5,649	278	200,007	
Other minor forest					·	
produce (tons)	• • •	3,014	674,975	3,696	493,616	

Firewood and charcoal production was from mangrove forests, where the main species are bakau and bangkita (*Rhizophora* spp.) and tengar (*Ceriops* spp.). The production of cutch, the most important minor forest product, increased due to better demand.

During the last few years the demand for copal and damar, though steady, has been small and the market price only moderate. In order to stimulate collection, the collection fee/royalty was abolished towards the close of the year.

Trade

Timber exports continued to rise in 1958 as the following figures show:

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

		19	957	1958		
Destination		Quantity (cu. ft. Hoppus)	Value \$	Quantity (cu. ft. Hoppus)	Value \$	
Australia		2,492,889	4,717,644	2,925,488	5,527,760	
Holland	• • •	4,059	5,370	gramma-vide.		
Hong Kong		6,939,240	6,260,459	6,075,082	4,817,648	
Japan		10,355,176	14,288,416	15,481,096	20,549,672	
South Africa		302,820	567,989	225,626	429,241	
United Kingdom		417,476	1,135,503	315,719	764,209	
U. S. A		58,974	160,374	118,490	329,655	
Others *	• • •	216,951	348,327	197,778	352,918	
Total	• • •	20,787,585	27,484,082	25,339,279	32,771,103	
Average price						
per cubic fo	oot	. \$1.3	32	\$1.29		

^{*}Includes China, Formosa, Germany, Italy, New Zealand, and Singapore.

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

		19:	57	1958			
	Quantity	Value	Quantity	Value			
Destination		(cu. ft.	\$	(cu. ft.	\$		
		as measured)		as measured)			
Australia		406,829	1,632,006	474,428	1,960,990		
Holland		2	36	1,534	5,815		
Hong Kong		300,855	429,541	154,189	187,845		
Japan		1	N.C.V.	1,614	4,645		
South Africa		172,122	691,899	197,934	770,446		
United Kingdom		192,236	1,205,318	67,185	451,514		
U. S. A		3	82	2,964	4,150		
Others *		22,672	82,248	52,551	220,558		
TOTAL	• • •	1,094,720	4,041,130	952,399	3,605,963		
Average price							
per cubic f		. \$3.6	59	\$3.	79		

^{*}Includes Brunei. Denmark, Germany, Indonesia, India, New Zealand Norway, Philippines.

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
	1957			• • •	18,913
	1958	. • • •			22,672

[Based on the formula 6/7 Vol. (Logs + actual Vol. (Sawn)]

The timber grading and inspection branch of the Forest Department measured and graded more than twenty million cubic feet of timber during the year; although there was an increase of some two million cubic feet of graded timber this was offset by a decrease in freight scaling which was no longer required from September onwards. Total fees collected for these services amounted to \$189,918 compared with \$184,258 in 1957.

Export Markets

Japan, Hong Kong and Australia remained the main consumers of North Borneo timbers. Exports to Japan increased very considerably during the year, the extra volume being provided almost entirely by increased production. In comparison with other commodities timber prices were remarkably stable. On the whole, the year was a satisfactory one.

Japan. Prices remained steady and demand was well maintained; three-fifths of the total exports, all logs, went to this market, and it is of interest to note that there was an increase in demand for the lower grade logs, as a result of low freight rates being available on chartered vessels. This demand was particularly welcome since it reduced the pressure on the Hong Kong market. The dominating factor in the Japanese market was timber from the Philippines; this was regulated by the quantity available, the prices and the buyer's readiness to provide the requisite currency; current indications seem to suggest that supplies from the Philippines are diminishing for one reason or another and this was reflected in the firm demand for logs from this Colony.

Generally speaking, provided Japan can find sufficient export markets for plywood and the necessary sterling to pay for logs, prospects appear to be good. Hong Kong. A year of exceptional stability compared with the fluctuations of 1957, but prices remained low due to continued overstocking; there was an upward trend in the last quarter but it was difficult to see any prospect of appreciably higher prices being obtained until such time as stocks are reduced to a realistic level.

An interesting development was the demand for sawmill quality and good quality millable red and white serayas capable of producing sawn timber for export; as a result of the low purchase prices, Hong Kong was able to compete with North Borneo in the sawn timber export markets.

The market remained a buyer's one and was generally unremunerative for the exporter; however, it was a very useful outlet for logs which were unacceptable elsewhere.

Australia. This was the most important of the quality markets and demand remained strong throughout the year. Sawn timber continued to become increasingly popular but from May onwards prices weakened due to heavy sales, at low prices, from Malaya and Singapore. The main reason for heavy sales at low prices from Malaya appears to have been the Bangkok freight war which enabled timber, especially yang (= keruing) from Thailand to be sold at very low prices in Malaya's existing markets, particularly the United Kingdom. Throughout the year New South Wales buyers persisted in their demands for sap free sawn timber but these were resisted and sales were graded in accordance with Malayan and Borneo Rules.

Fortunately the findings of the Australian Tariff Board Enquiry did not materially affect exports; further prospects for this market appear to be good in so far as serayas are concerned provided that the Australian adverse trade balance does not cause stricter application of import quotas.

Other Markets

- (1) United Kingdom and Europe. Because of high freight rates, the exports of both logs and sawn were disappointingly low. Continental buyers displayed little interest.
- (2) South Africa. Prices for sawn timber were poor throughout the year due to competition from Malaya (partly as a result of the Bangkok freight war) and also from West African timbers which were alleged to be less prone to splitting.
- (3) United States of America. Shipping remained a problem; there were indications of increased shipments, specially of sawn lumber, during 1959.
- (4) China. Small trial shipments went to Shanghai and there may be a future in this market.

In an effort to reduce the quantity of low grade logs reaching the Hong Kong market, and thus depressing prices, the Departmental standards of merchantability were revised during the year. Under the new rules it remained obligatory only to remove from felling areas seraya, kapur and keruing of Sawmill Quality grade or higher under the North Borneo Grading Rules.

Research

The Research Section was without the services of a Forest Botanist throughout the year; the Ecologist went on leave in November. Apart from routine measurements of sample plots, the Ecologist's efforts were mainly directed towards regeneration techniques with special reference to the light requirements of seedlings of different Dipterocarp species.

Girdling experiments were continued using sodium arsenite in various concentrations and also butyl ester poisons. As a result of these experiments it is hoped that most of the poisoning and girdling next year will be done with butyl ester. Attention was also given to logging damage to advance growth and results were published in the "Malayan Forester". A new series of increment plots was commenced in an effort to rectify some of the obvious defects in design which were found in existing plots.

A large scale trial of a proprietory B.H.C. water-based spray was made to study control of pin-hole borers. The grave-yard tests established two years ago gave interesting results; most of the degrade in all billets occurred near the soil level. Results of further tests of local timbers carried out at Princes Risborough were received and distributed to timber firms and other interested persons.

Collection of botanical specimens continued; a total of 253 new collections was made during the year and a considerable number of specimens were received from Brunei and Sarawak. A collecting expedition was made to the Ranau District and to the top of Mount Kinabalu during October. The Ecologist was fortunate to have Dr. M. Jacobs of Bogor accompanying him on this trip. The Experimental Plantations at Sandakan were maintained and extended; His Excellency the Governor visited the Plantations and Forest School in session during November.

Education

One course for Forest Guards on the establishment, two courses for Temporary Forest Guards under training and one refresher course for nominees for the Kepong School (referred to below) were conducted during the year at the Sandakan Forest School. The aggregate number of trainees who attended the courses was forty-five.

Four Forest Guards were selected for the 1958 training course at the Forest School, Kepong, Malaya; all were successful and passed the final examination with credit. Forest Guard Kimin bin Gunting was awarded the Mead Prize.

One Forest Ranger, Grade III, was nominated for a Sub-Assistant Conservator's course of some nine months' duration,

also conducted at Kepong, which commenced in May.

One of the two Assistant Forest Officers who had been undergoing courses in Forestry in Australia with the aid of Colombo Plan Scholarships was awarded a Diploma in Forestry. At the end of the year the other was nearing the completion of his two-year course.

Three junior officers from the Timber Branch were sent to Singapore to specialise in timber grading under the Malayan Grading Rules. Two of them, on completion of their training, passed the final examinations with distinction and were awarded certificates of competency. At the end of the year, the third was still undergoing advanced training.

One Assistant Conservator was nominated and accepted for the 1958-1959 Forestry Course at the University of Oxford.

One Clerical Officer of the Department was awarded a Junior Fellowship for an "Organisation and Methods" Course of six months' duration in Australia under the Colombo Plan.

The benefits derived from the courses undertaken outside the Colony are appreciable and were made possible by the generous awards under the Colombo Plan Scheme and the ready cooperation of the authorities concerned in Singapore and the Federation of Malaya.

Administration

The Department, which is under the direction and control of the Conservator, has its headquarters in Sandakan, and, for purposes of field administration, is comprised of an East Coast Division with three forest districts (Sandakan, Lahad Datu and Tawau) and a West Coast Division with three forest districts (Kudat, Jesselton and Beaufort); both divisions are under a Divisional Forest Officer who is stationed at Sandakan. The headquarters establishment in Divisions II and III of the public service, apart from the Conservator (Division I), consists of the Senior Assistant Conservator, Cartographer (formerly designated Draughtsman), Ecologist, Timber Officer and a Principal Executive Officer.

At the end of the year—and for the first time since 1946—all posts on the establishment in Divisions I and II were occupied. The temporary office of Forest Botanist (financed in part from Commonwealth Development and Welfare Funds) was vacant throughout the year despite efforts to recruit a suitable applicant.

Government approved, in principle, the Departmental scheme for the separation of the field from the clerical staff—the latter are appointed to posts of Forest Guards and Forest Rangers—and for the creation of clerical categories to conform to practice obtaining in other Departments. When the scheme is implemented, clerical officers in the Department will be afforded career prospects and a better type of recruit would be attracted to the Forest Clerical Service.

Miscellaneous

The third session of the British Borneo Territories Forestry Conference was held in Brunei from the 28th June to 4th July, 1958, and was attended by representatives of Sarawak, Brunei and North Borneo, when topics of common interest were discussed.

The new building to house the headquarters office was nearing completion at the end of the year.

Visitors to Departmental Headquarters included Mr. D. L. Woolf, Consul for the United States of America in Singapore; the Lord Medway from the Sarawak Museum; Professor G. H. Erdtman of the Royal Institute of Technology in Stockholm.

Game

The Wild Animals and Birds Preservation Ordinance, 1936 continued in force, the Conservator exercising control over the issue of licences to capture and keep orang hutan and gibbons and to take protected birds. The issue of deer and big game licences remained outside the jurisdiction of the Department. One orang hutan was shot without a licence, and the case was pending in the Courts at the close of the year. One tembadau (banteng) was illegally shot in the Kalumpang Forest Reserve, and the offender fined \$30.00. A similar case in the Kretam Forest Reserve was under investigation at the end of the year. A crop raiding bull elephant was shot at Litang Estate by the estate staff in defence of crops.

FISHERIES

Marine Fisheries

Marine fishing in North Borneo is mainly confined to inshore waters and estuaries. There is little or no deep sea fishing. The industry has not only produced vital sea food to meet local requirements but also a surplus for export to neighbouring countries. The major part of the exports is in the form of dried fish and prawns.

Total quantity and value of marine products exported during 1958 amounted to 1,225 tons (approximately) and \$1,222,000 (approx.), which were about the same as that in the previous year. The following table shows the exports for years 1957 and 1958:

		1957		1958	•
	ITEM	Quantity	Value	Quantity	Value
			(FOB)		(FOB)
		(tons)	(\$)	(tons)	(\$)
1.	Fish: fresh, chilled or				60.400
	frozen	54.68	37,999	111,43	69,489
2.	Fish: Salted or dried	535.93	416,483	500.23	432,839
3.	Prawns, Shrimps, clam				
	meat, etc	49.32	109,914	92.82	206,083
4.	Belachan, fish roe, tre-				
	pang and turtle eggs	54.19	47,182	23.96	26,427
5.	Fish meal and prawn				
	dust	226.73	68,035	263.04	64,535
6.	Turtle shell	0.26	620	1.99	8,502
7.	Trochus, green snail and				
	mother-of-pearl shells	291.05	468,408	226.91	375,484
8.	Fish skin, fish gill and sea				
	horse (dried)	0.87	10,677	4.56	38,026
9,	Seed pearl	Majorina	65,278	·	911
	Тотаі	1,213.03	1,224,596	1,224.94	1,222,296

The industry is almost wholly controlled and financed by middlemen (mostly Chinese), who are, in most cases, fish dealers. The majority of the fishermen are natives, who use light fishing gears and small boats; the larger fishing vessels with heavy fishing gears are operated by Chinese fishermen, who are centred mainly around Sandakan and Tawau.

Mechanized fishing boats are very popular throughout the coastal districts especially in Sandakan where non-mechanized boats are seldom seen engaged in fishing nowadays. In general, inboard engines are preferred in Sandakan and Tawau and outboard engines are more popular in the areas of Jesselton and Brunei Bays.

Trawl fishing was introduced into the Colony in June, 1958. A 90-ton trawler of the Philippines origin, using an otter trawl net, has been licensed to fish in the Marudu Bay. Reports from the trawler indicated that the Bay was very productive although the main part of the catch consisted of low class fish.

Retail prices for fresh sea-fish in the districts along the coast during 1958 were as follows:

Districts				Price per kati
				1958
Labuan				\$0.300.80
Jesselton		• • •		0.60-1.60
Kudat				0.400.60
Sipitang		• • •	0 0 0	0.40 - 1.00
Sandakan				0.400.80
Lahad Da	ıtu	• • •		0.20-0.60
Semporna		• • •		0.100.30
Tawau	* * •	• • •	• • •	0.25—1.20

Freshwater Fish Culture

Twenty-nine fish ponds, covering 5.2 acres, were built during the year, the majority of them situated in the districts of Jesselton and Penampang. Total number of fish ponds in the Colony at the end of the year amounted to 646 with an acreage of 40.1.

Total production from fish ponds in the Colony was estimated to be about fifteen tons for the year. Retail prices for good sized pond fish (sold alive) were generally high and varied between \$1.20 and \$1.80 per kati according to the species. These prices together with a steady demand have done much to encourage the industry.

The technique of "monosex" culture of Tilapia, using the male fish, has been applied very successfully in combination with pig raising. With no supplementary feeding to the fish, a yield of 1,400 kati per acre per year was recorded in a farm at Keningau.

The Javanese method of artificial breeding of common carp has been used in the Central Fry Breeding Station, Tuaran. During the year some 6,000 fry were produced by this method. In addition, the station distributed 5,932 mixed fry and 5,040 Chinese carp fry imported from Singapore.

Chapter 7: Social Services

EDUCATION

General Review

THE year 1958 was notable mainly for the determined efforts of the Board of Education to tackle the problems created by a wide disparity of ages in Primary Schools and to direct entry into secondary education so as to cater for those pupils most likely to be able to take proper advantage of the facilities which can be offered.

In spite of the limitations imposed by the effects of a world recession in trade, the year was also notable for the number of new buildings erected to replace temporary sub-standard schools, especially among the Colony's Chinese Schools.

The year closed on a note of optimism regarding the new standards in education that these and other contemplated improvements to be introduced by the Board of Education would provide.

The present educational system of the Colony provides for six years of primary education in English, Malay or Chinese followed by up to six years of secondary education in English or in Chinese with English as a second language. Although there are many exceptions, education in Malay is generally provided by Government Schools, and education in English by Mission Schools, while Chinese (Mandarin) is the medium of instruction in the Chinese aided schools.

In addition there are some 50 Native Voluntary Schools which are primary schools assisted by Government and which use the Malay language. There are also a few Estate Schools in which either Malay or Chinese is used.

The total numbers of schools of all types in 1958 was 333. with an enrolment of 40,610. Of this number 9,672 attended Government schools, 13,358 were enrolled in Mission schools, while 14,665 attended Chinese schools. The remainder, 2,915 received their education in Native Voluntary or Estate Schools.

The number of teachers employed in all schools is 1,670.

Educational policy is determined by the Board of Education, set up in 1956 as a co-ordinating factor in all educational activities, expansion and planning. The members of the Board represent all interests, creeds and races. The majority of them are not Government officials. The full Board met on three occasions during the year, with the Standing General Purposes Committee meeting at more frequent intervals. Since the inception



Tamparuli—Ranau Jeep Track from the air.

of the Board of Education, the Colony has been divided into fourteen School Areas, each with its own appointed Local Education Committee. These are composed of persons interested in overcoming the educational problems in their locality and representing the various educational factors of each education area.

The North Borneo Schools Examination Board came into full operation in 1958. This Board is responsible for setting and co-ordinating the Government examinations which pupils sit at the end of their primary schooling and, in the case of Junior Secondary Schools, at the end of three years' post-primary education. Successful pupils qualify for the award of the Primary VI Certificate and the Junior School Certificate respectively. Examinations are conducted for the three types of schools, in the English, Malay and Chinese media. The Government Primary V Examination has now been abolished.

Many pupils continue to leave school before the completion of their primary education, but the increasing numbers offering themselves for the Primary VI Examination show that wastage is becoming less prevalent.

It is not yet possible to introduce compulsory education, although the proportion of children of school age attending school continues to rise. In 1958 for every two children in school it is estimated that there were less than five children of school age who were not at school. There is still a reluctance, especially among the indigenous peoples, to send girls to school, but there is now a steady increase each year.

Schools enrolment by races is as follows:

		Boys	Girls	Total
Indigenous	• • •	 11,150	4,485	15,635
Chinese	•••	 13,948	9,491	23,439
European and	Eurasian	 125	113	238
Others		 840	458	1,298
	TOTAL	 26,063	14,547	40,610

Literacy

The most recent detailed Colony Census was made in 1951 and this showed that 11.7 per cent of the total population and 17 per cent 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 in 1951 are at Appendix V.

A marked improvement in literacy has taken place since 1951 because of the spread of primary education, but it will not be possible to revise these figures accurately until after the next census in 1960.

PRIMARY EDUCATION

Government Primary Schools (Malay medium) Mission Schools (English medium)	87 59
(a) R.C. Mission 41	
(b) S.P.G. (Church of England) 9	
(c) Borneo-Basel Mission 3	
(d) Seventh Day Adventist	
and other Missions 6	
Chinese Schools	88
Mission Schools (Chinese medium)	20
(a) R.C. Mission 6	
(b) S.P.G. \cdots	
(c) Basel 12	
Native Voluntary Schools (Malay medium)	52
Native Voluntary Schools (English medium)	1
Estate and Private Schools (Malay and Chinese	
medium)	21
Total number of Primary Schools	328

Malay Medium

An outstanding difficulty in arranging primary education for the indigenous children is that many of them belong to language groups (or dialects of such groups) which it has not, so far, been possible to arrange in written form. Hitherto, limitations in the recruitment and training of teachers have made it necessary to concentrate on the use of Malay for instructional purposes, this being a language of moderately widespread application, but there have been increasing doubts regarding the general acceptability of this policy and native representation has caused the Board of Education to reconsider the desirability of establishing the Malay language as the salient language for the instruction of indigenous children, and thus consideration for their general educational advancement has led to the suggestion that the English language might more appropriately be employed as the main language of instruction while recognising the importance of the Malay language in this region of Asia and taking appropriate steps to guarantee its instruction in schools.

As part of its policy of expansion to keep pace with the continued demand for education among the indigenous races, Government opened three new primary schools during the year, and built additional classrooms at twenty-one other schools. Several projects had to be postponed temporarily because of financial restrictions during the trade recession. Government Primary Schools have increased in number from forty-eight in

1946 to eighty-seven in 1958. In the same period enrolments have increased from 2,706 to 9,243. Now that most of the teachers in Malay medium schools are trained, the pressing need as indicated above is for specialist teachers to improve the standard of English. In this connection, the Board of Education has recommended the recruitment over the next three years of fifty experienced teachers from more advanced countries in South-East Asia, whose duties will include both the teaching of English in Malay medium schools, and instruction to locally trained teachers in English language and teaching methods. The Board has also decided that the teaching of English should commence in Primary I instead of Primary III as at present, and thus gradually become the medium of instruction.

A transition or 'bridge' class between the primary non-English schools, and the post-primary English school was opened in Kota Belud for both Malay and Chinese pupils. A school with the same object is run at Sipitang by the District Council. These classes have proved to be very popular and the results promising.

Mention has already been made of Native Voluntary Schools. These schools represent the determination of village people in remote areas, where Government resources have not yet been able to provide a school, to try to help their children to achieve literacy and a little learning. Government aids and provides some equipment for these schools, while the villagers build the schools and in some cases provide houses for the teachers. Native Voluntary Schools may become full Government Primary Schools if, during their voluntary stage, they are well supported and thus justify their existence. Five such schools were taken over by Government in different parts of the Colony in 1958.

To gain admission to a post-primary school, it is now generally necessary first to satisfy the requirements of the North Borneo Examinations Board and gain a pass in the Government Primary VI Examination. The results of this examination over the past three years reflect:

- (a) the larger number of pupils completing the full primary course;
- (b) the higher standard achieved in the upper classes in the primary schools.

The figures are:

PRIMARY VI EXAMINATION (MALAY MEDIUM)

		Entries	Distinctions	Credits	Passes
1956	• • •	216	Not awarded	37	148
1957		340	39	7	220
1958		561	33	116	184

Non-Government Primary Schools—General

One of the early recommendations of the Board of Education was that all schools should become eligible for grant-in-aid. In 1957 the allocation from the Colony's Ordinary Budget to recurrent grants-in-aid for non-Government schools increased from \$278,000 to \$500,000. A similar sum was voted in 1958. Of this, \$30,000 was set aside for assistance to Native Voluntary Schools.

Details of grant-in-aid expenditure in 1958 are:

Recurrent Grant-in-aid	\$483,802
Buildings Grant-in-aid	388,506
Equipment Grant-in-aid	8,043
	\$880,351

English Medium (Mission Schools)

As in past years, progress in Mission Schools has been hampered by a wide range of ages in each class largely through the desire of Chinese children to obtain an education in English only after completing their full primary education in Chinese. The Board of Education, in 1957, drew up a graduated code governing ages of admission to all schools. Although no great reduction in age range is immediately apparent, in five years the range will have been reduced almost to normal and children will enter school at the age of five or six. At the same time, efforts are being made to raise the standard of English in Malay and Chinese schools to obviate the necessity for children repeating much of the primary course when they change to a different language-medium school.

Few teachers in Mission schools have yet been able to benefit from teacher training. Two teacher training courses in English have been introduced at Kent College. One course, of two years' duration, accept students who have had at least three years of successful post-primary education; the other course is designed for experienced teachers with a minimum of five years' practical teaching experience.

Figures for the 1958 Primary VI Government Examination (English) indicate an advance in standards and numbers completing the course:

	Entries	Distinction	Credit	Pass
1956	795	Not awarded	107	282
1957	856	15	301	222
1958	965	37	*486	172

^{*} Includes 193 good credits.

Chinese Medium

As with Malay medium and English schools, Chinese medium schools continue to show progress. The largest school in the Colony, Chung Hwa School, Jesselton, has just completed a building programme costing more than \$500,000, of which Government contributed the sum of \$250,000. Other Chinese communities built schools to the value of \$116,688, receiving from Government grant-in-aid of fifty per cent of this figure.

Staffing continues to be a problem. The difficulty in recruiting specialist teachers, particularly English language teachers, from outside the Colony is considerable as contracts offered by School Committees are usually short-term ones, and the staffing policy is likely to change each year whenever a new School Committee is elected.

A steady flow of trained teachers from Kent College is making some contribution towards the solution of this problem.

Results of the Government Primary VI Examination (Chinese) with those of the past two years are:

		Entries	Distinction	Credit	Pass
1956	• • •	733	23	77	318
1957		767	40	94	370
1958	• • •	818	Service services	8	434

The standard of the examination has been raised considerably in 1958 in the general interest of education in the Chinese medium.

Native Voluntary Schools

Reference has already been made to the role of Native Voluntary Schools. Twenty-five new schools were given permission to open in 1958. The total enrolment in Native Voluntary Schools was 1,589 boys and 398 girls, a total of 1,987 pupils. Although some schools presented candidates for the Primary VI Examination, most of the pupils are still schooling at the Primary I and II level only.

Estate Schools

Several of the larger estates provide schools for the children of their employees. In some cases the Education Department has been able to assist with Chinese or Malay teachers for these schools. Enrolment in these schools totalled 918, comprising 687 boys and 231 girls.

Average age of Entry to Primary Schools

The following table shows the age of entry for children who first entered school in 1958:

		Under 6	Age 6—7	78	8—9	9—10	10—11	Over 11—12	12—13	13
Government Schools	• • •	248	713	629	551	293	75	52	43	11
Mission Schools		374	806	576	465	343	254	115	88	72
Chinese Schools		645	1,213	936	594	338	145	64	30	6
TOTAL	.,	1,267	2,732	2,141	1,610	974	474	231	161	89

These figures show more satisfactory range of age groups than was indicated in 1957.

An average leaving age is difficult to assess, for the age range is still large. The results of the Primary VI examination show clearly that more children remain at school for the full six years. This, combined with the above table show that the leaving age is tending to standardise itself at 12 to 15 years.

Secondary Education

Recent reports have drawn attention to the gathering momentum of post-primary education. Pupils in secondary schools of all types have increased from 2,013 in 1956 to 3,019 in 1958. The most recent figures show that attendances in these schools were:

		Boys	Girls	Total
Government		 262	103	365
Mission		 1,347	545	1,892
Chinese		 505	257	762
				
	TOTAL.	 2,114	905	3,019

The Government Secondary School, Jesselton, opened in 1957, and moved to larger temporary premises at the beginning of 1958. In its second year of existence, the school began with four secondary and two preparatory classes. Forty per cent of the 169 pupils were indigenous children. New hostels for boys and girls were completed, and work commenced on permanent buildings and playing fields for the school.

Government sponsored two other post-primary schools. One is the first Government school for post-primary Chinese education, in Tawau, where 149 pupils entered this new school at the

beginning of the year. The other is the short (three-year) post-primary course held at the Government English School, Labuan.

Mission secondary schools which provide a full five year course, offer candidates for the Cambridge Overseas School Certificate. Of the 114 candidates who sat this examination at the end of 1957, 65 were successful. In addition, 50 private candidates sat for the General Certificate of Education examination of the University of London, and 31 were successful. At the end of 1958, 134 candidates sat for the Overseas School Certificate, and 108 for the General Certificate of Education.

The Department introduced an examination in 1957 for pupils who were completing the third year of their post-primary education. With the formation of the North Borneo Examinations Board, control of this examination, the North Borneo Junior Certificate, passed into the hands of this body. Students in English and Chinese medium schools enter for the examination on completion of the junior secondary course.

Results were:

Junior Certificate (Chinese)

			Entries	Credit	Pass
1957	• • •	• • •	191	distribution	113
1958	• • •	• • •	270	8	140

Junior Certificate (English)

			Entries	Pass
1957	• • •	* * *	24	17
1958	• • •		287	157

(Distinction, Credit, etc., awarded in individual subjects and not on the examination as a whole)

Technical Education

Training courses in carpentry and mechanics were conducted at the Government Trade School, Jesselton. Three full-time courses were held in 1958, a first and second year mechanics course, and the second year of a two-year carpentry course. Altogether 56 boys were in training at the school. All of the 36 who completed training were placed in employment.

Trainees erected a library at the school during the year and commenced the construction of an electrical workshop for the use of a new course to be introduced in 1959.

The Government of Australia has, under the Colombo Plan, supplied further equipment ranging from a shaping machine to mechanics' hand tools, and Canada has presented to the school a sectional motor-truck chassis for demonstration purposes.

Teacher Training

The Colony's teacher training institution, Kent College, a Colonial Development and Welfare project, was opened in 1952.

The introduction, in 1958, of two courses for teachers in English medium schools made necessary the addition during the year of extra classroom accommodation. The new block includes a science laboratory, a homecraft and an art room. In addition, new dormitories for men and women students were completed, as well as new dining halls and kitchens.

The College had 159 students of whom 97 were men and 62 women. Included in this number as in former years, are six women students from Brunei. Students from Malay medium schools number 93, with 40 from Chinese schools. The new

English courses comprised 26 students.

Through the Colombo Plan, the Government of Australia generously provided a tractor with ancillary agricultural machinery an electric drill, and carpentry tool kits. The Government of New Zealand gave further homecraft supplies.

Higher and Adult Education

North Borneo has, as yet, very limited facilities for higher education. Students wishing to take university or similar courses must for the most part pursue their studies overseas.

At the Government Secondary School, Jesselton, however, a post-Overseas-School Certificate class was commenced for students who intend to matriculate and study for a science degree in an overseas university. Details of courses being followed by scholar-ship holders studying abroad are shown in Appendix VI, Table G.

Of the total of 110 scholarship holders at present abroad, 51 are studying to become teachers, 5 are studying medicine, 3 accountancy and the remainder a variety of subjects including agriculture, geology, engineering, surveying and nursing.

The Director of Education, North Borneo, represented North Borneo and Sarawak at four meetings of the Council of the University of Malaya.

Further Education

Night classes for adults are becoming increasingly popular. Courses in English held in Labuan had more than 120 students in classes held at three levels. Advanced classes in pure and applied mathematics, physics and chemistry are held regularly in Jesselton for candidates at both levels of the General Certificate of Education. The Department has also conducted during the year, classes in the Malay Language, advanced and intermediate English book-keeping, shorthand and typing, while regular literacy classes are conducted in the Jesselton Prison.

Sewing classes were held for the wives of policemen at Marina Barracks, Jesselton.

At the Government Trade School, twelve apprentices and tradesmen from local workshops attended twice weekly courses in mechanics, theory and practice.

Part-time classes in Mathematics, Workshop Technology, Auto Engine Theory and Drawing are held in Sandakan.

Information on internal training schemes run by other Government Departments will be found in other parts of this Report.

Staff

The administrative and supervisory staff of the Department consists of:

The Director of Education,

The Deputy Director of Education,

Six Education Officers,

One Senior Supervisor of Schools,

Two Supervisors of Chinese Schools,

Three Supervisors of Malay Schools,

Education Officers and Supervisors of Schools were able to visit nearly all schools in the Colony in the course of the year.

Six promising indigenous officers, four men and two women, were sent to Redlands College, Bristol, for a two-year course in Education.

A one week refresher course was held in Jesselton for thirtyone junior class teachers from English medium schools during the year. Teachers attended the course from schools in all parts of the Colony. Departmental officers and practising teachers co-operated to conduct the course.

A publishing firm in the United Kingdom has published two books written by officers of the Department especially for North Borneo schools. These books, a History of North Borneo and a further book on Social Studies, are at present published only in English, but it is planned to translate them into Malay and Chinese. Another book in the series is in the hands of the publishers.

Four annotated teaching-aid pictures were printed and distributed to all schools. There are English, Malay and Chinese versions of these pictures.

A new system for pupil teachers was introduced early in the year. Entrants to Kent College must now serve a minimum period of one year as a pupil in an approved school. Malay medium schools were allocated 37 pupil teachers, English medium schools 14, and Chinese schools 8. Most of these pupils teachers will enter Kent College in 1959.

Legislation

There was no legislation directly affecting education in 1958.

Expenditure

Expenditure on education from the Colony's Ordinary Budget was \$2,092,637.

This represented:

^				01 000 100
Personal emoluments		• • •	• • •	\$1,232,133
Recurrent expenditure	(other	charges)		347,251
Grants-in-aid to non-C	overnm	ent school	ls	483,802
Equipment grants to	non-Go	vernment		
201-0010	• • •	• • •		8,043
Other special expendi	ture	• • •	• • •	21,408
				\$2,092,637

The Development Budget provided the sum of \$1,053,077. Building projects financed from this budget include the Government Secondary School, Jesselton; extensions to Kent College, Tuaran, and the State Post-Primary School, Tawau.

The Liberation Educational Trust, a fund set up from reparations derived from former Japanese assets in the Colony, spent \$85,158, mainly on scholarships within and without the Colony.

The valuable assistance which has been received from the donor countries participating in the Colombo Plan, especially Australia, New Zealand and Canada, has already been mentioned. In addition to this material aid, seventy-nine students are studying in universities and colleges abroad under the auspices of the Colombo Plan.

Advisory Committees

The Education Department was assisted throughout the year by the Kent College Advisory Committee, the Trade School Advisory Committee and the Internal and External Advisory Committee of the Liberation Educational Trust.

Social Welfare

Powdered milk, provided by the United Nations International Children's Fund, was distributed to a selected number of schools. The powder is converted into milk under supervision by the pupils in the schools, and this has the dual purpose of teaching practical hygiene as well as being a nutritive supplement to the children's diet.

Each month, an average of 5,247 lb. of powdered milk was distributed to almost 3,000 children in 73 schools throughout the Colony.

During the year, schools which were receiving UNICEF milk were also issued with soap supplied from the same source. Although the scheme was only in operation for six months, 4,840 lb. of soap were distributed.

PUBLIC HEALTH

General Health

Throughout the year the Colony remained free of epidemic disease although there was in June a danger of the introduction of cholera from an infected area in close contact with the Colony by sea. For many years now there has been no reported case of smallpox, cholera, plague or typhus. The 'Asian influenza' which affected so many persons in 1957 still remains at large in the Colony, but apart from temporary discomfort, little serious effects were noticed. The diseases which are common throughout the Colony are malaria, tuberculosis and intestinal infestations. Good progress has been made with the Malaria Control Scheme, and after three years of investigation, a method has now been found which is expected to prevent completely the transmission of malaria. The proposed scheme for the control of tuberculosis drawn up towards the end of 1957 has been further discussed with the Colombo Plan authorities and it is hoped that implementation can begin in 1959. During the year, there were 39,405 cases of malaria and 1,194 cases of tuberculosis reported in the Colony in addition to 18,689 cases of intestinal infestations, but apart from this the health of the Colony can be considered to be reasonably good. Fortunately, many of the endemic tropical diseases are amenable to preventive methods and could thus in theory be prevented were it economically possible to apply the appropriate method.

Vital Statistics

The total number of births and deaths registered in 1957 and 1958 were:

	1957	1958
Births registered	14,816	16,130
Deaths registered	3,925	3,358
Excess of births over deaths	10,891	12,772

Accurate figures of maternal and infant mortality are not available, but attendances at Maternity and Child Welfare Clinics have substantially increased. The Jesselton Rotary Club built the Penampang Maternity Home and handed it over to St. Joseph's Convent, Penampang. The Home is staffed and maintained by

the nuns from the Convent and it serves five neighbouring villages. Since the opening of the Home a dispensary and a waiting room have been added by the generosity of a Jesselton Rotarian. Total attendances for 1958 were over 77,550 as compared to 57,000 in 1957.

Malaria Control

The project mentioned above for the control of malaria and sponsored jointly by the Government, W.H.O. and UNICEF began in mid 1955. The malaria map of the Colony shows that in most rural areas malaria is hyper-endemic. Although it is probable that one anopheline mosquito is almost entirely responsible for the transmission of malaria, there is no doubt that other mosquito carriers may transmit the disease in restricted areas, for example, near the coast. By the end of 1958 the island of Labuan and the Interior Residency had been sprayed three times with insecticide; and in many of the districts concerned doses of anti-malarial drugs administered to the public at the same time as spraying. No new indigenous case or malaria was reported from the island of Labuan throughout the year and it is now anticipated that the control methods found to be satisfactory can be extended to cover the entire Colony by the end of 1960. As an example of the present scope of the work, during the second half of 1958 over 11,000 houses were sprayed and, in consequence, a population of more than 54,000 persons protected. At the same time, 25,000 persons were given prophylactic drug treatment by the Malaria Control Team.

Tuberculosis

Although no accurate figures are yet available regarding the total incidence of tuberculosis, there is no doubt that the disease is widespread. The Government is planning a comprehensive scheme for the control of tuberculosis based on the isolation of infectious patients and the treatment of sufferers from the disease. Further, wherever appropriate, tuberculin testing will be employed and the benefits of BCG vaccination introduced. Simultaneously, a mass radiography survey of the public is planned. For various reasons it is probable that the survey will commence, in the first instance, on a small scale, and it is hoped that assistance from the Government of Australia under Colombo Plan may be forthcoming. The total number of new tuberculosis patients reported during 1958 was 1,194. During the year, special wards for the treatment of tuberculosis patients and for their isolation were built in association with various hospitals in the Colony. The new tuberculosis hospital in Jesselton comprising 140 beds was completed and brought into use in April and by the end of the year, a similar hospital associated with the Duchess of Kent Hospital in Sandakan and to serve sixty in-patients was nearing completion.

The North Borneo Anti-Tuberculosis Association (NOBATA) continued to assist the Medical Department in its work against tuberculosis. This Association has been very active in propaganda designed to prevent tuberculosis and to encourage sufferers to report early for treatment; it also carried out active relief and welfare measures among sufferers from the disease and their dependants. The funds of the Association are limited, but with such funds as are available excellent work is being done.

Intestinal Disorders

Bowel infections continue to form a high proportion of diseases reported, the inevitable result of low standards of hygiene and sanitation, particularly in rural areas. Fortunately typhoid fever is uncommon although worm infestations and dysenteries are frequent. In urban areas considerable progress has been made in the installation of pure piped water supplies and the sanitary disposal of excreta and refuse. It is confidently to be expected that these diseases will become much less common in the major towns. Unfortunately many members of the rural community are still forced to rely on unprotected wells, polluted rivers and streams as sources of water, and disposal of excreta leaves much to be desired. Towards the end of 1958 there was considerable public alarm regarding the possibility of an epidemic of poliomyelitis such as occurred in a neighbouring Colony. Fortunately, however, cases were few and throughout the year the total number reported was 16. At the same time many children have been given prophylactic inoculations with a "Salk" type vaccine. There is no doubt that if the experience of other countries applies to North Borneo, the introduction of modern methods of sanitation may unfortunately have the effect of raising the incidence of poliomyelitis.

General Sanitation and Preventive Measures

The approved health inspectorate for the Colony numbers fifteen. During the year two inspectors undertook a course of training in Singapore with a view to sitting for the examination of the Royal Society of Health. They were absent from the Colony from February to November 1958. The health inspectors have been of considerable value to local authorities and Town Boards in the work of general sanitation and preventive measures and in environmental hygiene.

Nutrition

Cases of malnutrition continue to come to notice, usually for the following reasons. An unexpected failure of crops results in many persons being compelled to eat poor carbohydrate foods insufficiently supported by protein and vegetable foodstuffs, or occasionally, the introduction of rice milling results in an isolated outbreak of beri-beri because of the overmilling of rice; and again immigrant labourers travelling long distances by sea are frequently found on arrival to be in a gross state of malnutrition. Ignorance unfortunately contributes also to malnutrition as many of the population do not take advantage of the vegetables and fruit comparatively readily available to them. Generous assistance from UNICEF enabled additional supplies of drugs and diet supplement to be provided at Maternal and Child Welfare Clinics and Health Centres throughout the Colony.

Government Hospitals and Dispensaries

Details of Government hospitals, dispensaries and specialised units are given in Part A of Appendix VII. During the year 15,543 inpatients were treated as compared with 14,702 in 1957. Outpatients numbered 256,017 as compared with 244,542. The rebuilding of hospitals and improved services have contributed to this result; as has the appreciation of the inhabitants of the Colony of the advantages of modern western methods of treatment.

No new general hospital building took place during the year as the post-war rehabilitation and rebuilding of the general hospitals throughout the Colony is now almost complete.

There are two major Health Centres situated in Jesselton and Sandakan. A full time Health Visitor is available at each centre and these concentrate on ante-natal and post-natal clinics and infant welfare work combined with health education. Considerable assistance continues to be received from the local branches of the British Red Cross Society and the St. John Ambulance Brigade. A further Health Visitor was posted to Keningau towards the end of the year.

Leper Settlement

By the end of 1958, the Leper Settlement which had for many years been situated on Berhala Island at the entrance to Sandakan harbour was closed. During recent years the number of patients admitted have been comparatively small and it was proving difficult to provide adequate service and facilities to the limited number of patients. In consequence, an agreement was made with the Government of Sarawak whereby leper patients from North Borneo would be treated at the well established Rajah Sir Charles Brooke Memorial Settlement in Kuching, Sarawak. Twenty-eight patients were transferred from North Borneo to Sarawak under this scheme and it is reported that they have settled down in their new home very happily. It is fortunate that leprosy is not considered to present a serious health problem in North Borneo.

Mental Hospital

Active treatment has continued at the old Mental Hospital in Sandakan, since for various reasons the rebuilding of a new Mental Hospital on a site near Jesselton has been so far delayed. Modern methods of treatment are resulting in comparatively more patients being discharged although the numbers needing admission still continue to increase. There were 131 patients under treatment at the end of 1958 as compared with 146 at the same time in 1957 sixty-eight patients were admitted for treatment and seventy-nine discharged or cured, or sufficiently recovered to be looked after by their relatives.

Travelling Dispensaries

Motor ambulance dispensaries, especially designed for the purpose, have continued to service 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 until the next train takes the dispensary to the next succeeding station. It has proved to be a great success and in 1958 treated 17,412 patients, that is over 4,000 more than 1957.

Estate Hospitals and Dispensaries

The Labour Ordinance requires employers of labour 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 and a Medical Officer of Health, with a Colony Matron, Sister Tutor and Medical Accountant-Storekeeper at Headquarters in Jesselton.

It was possible to fill the establishment of thirteen medical officers during 1958, but by the end of the year there was still a vacant post for a malaria control officer. During 1958 the Colony Matron proceeded on leave prior to retirement and has not so far been replaced, but a new Sister Tutor arrived at the end of the year as did a new Health Visitor.

A further Health Visitor and Nursing Sister were expected to arrive early in 1959. During the year 1958 four nurse trainees completed their course of training. At the end of the year twenty-seven probationers, both male and female, were still in training. The experiment, commenced in the middle of 1957, of bringing in practising native midwives or bidans for a brief period of simple training was successful, and in addition to the fifty-seven bidans trained in 1957, a further seven bidans were given a brief period of simple training and provided with midwifery bags containing simple equipment supplied by UNICEF. Many existing bidans returned for a "refresher" course.

The total medical and health staff in the Colony is shown in Table 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. Sir Alexander MacFarquhar, Regional Representative of the United Nations Technical Assistants Board for the Far East, visited in May, and a visit was also paid by Mr. R. H. Wade, Director of the Colombo Plan Bureau in June in connection with the new proposed scheme for the control of tuberculosis. Also in September there was a visit from Dr. Cotter Harvey and Dr. Rubenstein, Colombo Plan Tuberculosis Consultants, from Australia, to investigate the problems of tuberculosis in the Colony with a view to advising on what methods should be introduced for its control. In November there was a visit from Dr. J. C. R. Buchanan, Deputy Chief Medical Officer to the Secretary of State. Also in November Professor A. G. Watkins of Cardiff, Specialist in Child Health, visited North Borneo under the Medical Visitors' Scheme whereby distinguished medical visitors are enabled to travel to Colonial territories. Professor Heaf, Consultant on Tuberculosis to the Secretary of State visited North Borneo in December to see something of the TB work and to discuss current TB problems with the head of the Medical Department. These visits were arranged by the Secretary of State for the Colonies.

Expenditure

The provision for expenditure on medical services from Colony funds in 1958 Estimates, including personal emoluments, amounted to \$3,414,287. This figure refers to Medical Department expenditure only, and does not include expenditure in the towns on



Site of proposed Kinabalu National Memorial Park, Kundasan.

such municipal conservancy measures as scavenging, removal of nightsoil 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 support from the North Borneo Anti-Tuberculosis Association.

HOUSING AND TOWN PLANNING

Town Planning

The Central Town and Country Planning Board, which is constituted under the Town and Country Planning Ordinance (Cap. 141) enacted in 1950, consists of five ex-officio members and five other persons to be nominated by the Governor. The Secretary for Local Government is the Chairman of the Board and the Deputy Director of Lands and Surveys in his capacity as Town Planner is Technical Adviser and Chief Executive Officer.

The Board held six meetings during the year to consider amendments to the Town plans of Jesselton, Sandakan, Labuan, Kudat and Papar. Details of the various amendments are as follows:—

JESSELTON: Proposed resiting of the railway goods yard; the lay-out of twenty-five residential lots at Batu Tiga for low-cost housing by the Malaya-Borneo Building Society; the provision of garages and stores behind Australia Place and the provision of land for playground extension for the Overseas Chinese Middle School.

SANDAKAN: Provision for parking areas and reserves for municipal purposes.

LABUAN: Provision for future developments in the Port area.

KUDAT: Provision of five additional shop lots.

PAPAR: Provision of twenty-nine additional shoplots.

Government Building Programme

Building work continued at such a pace that by July the available financial resources were exhausted and no further work could be commenced. Nevertheless approximately \$7,500,000 worth of building work was undertaken, split up approximately as follows:

etc.	• • •		\$1,200,000
		• • •	1,500,000
			2,500,000
ous			2,300,000
			\$7,500,000

Among hospitals, Jesselton was finally completed, including the new T.B. Wards, and the T.B. Wards at Sandakan were nearing completion, as was the new hospital at Tenom.

In the educational field extensions to Kent College were practically completed, and work on the new Secondary School in Jesselton well under way. The dormitories for the latter were completed. Plans were nearing completion for a new Government Chinese Primary School in Sandakan a Post Primary School at Tawau. Vernacular Schools were completed or nearly so in eight towns and villages.

The housing shortage is again reflected in the large allocations for quarters, which covers over fifty separate projects throughout the Colony. The principal item was the start of the first high block of flats in the Colony, a seven storey block of senior officers' quarters being erected on a hill top above Jesselton. These were designed for Government by Messrs. Palmer & Turner.

Under miscellaneous are godowns at Labuan and Sandakan; Airport buildings at Labuan and Jesselton; Post Office and Telephone exchange buildings at Beaufort, Kudat and Labuan and extensions for Police, Customs, Markets etc.

Private and Commercial Buildings

A considerable number of private buildings were under construction in the town areas at all times during the year. These consisted mainly of Chinese shophouses, the traditional pattern of two storey buildings often being replaced by blocks of three and sometimes four storeys of good design.

A number of disastrous fires underlined the advantages of permanent building materials and even where timber buildings are permissible under the town planning legislation, concrete and brick construction is coming into wider use.

Several good cinemas were completed and the Banks and many of the major commercial houses now have offices, godowns and staff quarters built in permanent materials. The Malaya-Borneo Building Society showed an interest in small low cost housing schemes but have not, as yet, started building. They have, however, made a number of loans which has resulted in the construction of private houses.

The Government sponsored Credit Corporation has also been responsible for loans resulting in minor commercial and individual buildings.

The Shell and Standard Vacuum Oil Companies continued to improve their services and to construct bulk oil storage depots and a large number of service stations.

Building Materials

As previously stated, concrete and brick buildings are becoming more common but timber remains the principal building material in the Colony. This is natural in a timber producing country with poor communications since transport costs prevent economic sale prices of bulk materials, such as bricks or tiles, throughout the Colony from a central producing plant. Nevertheless small brickworks exist near Jesselton and at Tawau and low quality soil pipes are produced at Papar.

Efficient and economical shipping rates on the lines operating between North Borneo, Hong Kong and Japan have made the latter countries the main suppliers of cement, steel, asbestos cement, tiles and oven bricks. Plywood is imported both from Singapore and Taiwan, softboard and hardboard, hardware, paint, steel windows, etc. mainly from Europe, although paint from Hong Kong and louvre windows from Australia are becoming increasingly popular.

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 designed 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 continuous process of trying to find methods of construction and materials which will give improved performance with due economy, steel framing has been specified for two schools and the proposed Customs godown at Jesselton, cellactite roofing has been on several jobs and expanded polystyrene in extruded aluminium section specified for a school ceiling. Self coloured

asbestos roofing was used in the Old Peoples home and prefabricated toilet and shower cubicles in the Secondary School dormitories. Flushing valves for W.Cs in place of cisterns and silicone treatment of timber are also being used.

In the smaller centres buildings are generally of semipermanent 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 and 1957 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 leaf thatch) roofing and beaten earth floors.

In Native Villages houses are usually raised above the ground on piles and entered by steps or a 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 or aluminum roofs are increasing, but in general the construction of native houses is more primitive. Houses are generally built of bamboo or nipahpalm stems, thatching made of nipah or sago palm leaves, or bark on round jungle pole frames. Such materials are easily obtained 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 long-houses 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. 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 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 welfare organisations come from two sources; firstly, from the proceeds of social welfare lotteries organised by the North Borneo Turf Club, which is licensed to carry out six such lotteries annually, and secondly, from direct votes from Government. The total amount of money available during the year from these sources was \$86,114.00. The Council does much useful work in advising the Commissioner of Labour and Welfare on distribution of these funds, and in advising Government generally on matters of policy and administration in all fields of social welfare.

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 189. A new institute was built in 1956 in Sandakan to accommodate 100 old persons. Some minor improvements suggested by experience in Sandakan have been incorporated in the new institute built in Jesselton during the year 1958 which now has accommodation for 120 inmates.

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 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:

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During the year the Board approved subsistence relief totalling \$19,732 which sum included both monthly allowances and food. At the end of the year some 187 persons were receiving such assistance. The Fund contributed also towards the cost of educating the children of war victims who could not afford their school fees in full; in special cases the entire maintenance of children at boarding schools was paid. In 1958 \$22,472 was spent in assisting 141 children and \$665 was given in rehabilitation grants.

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 no new young offenders were sent to the Boys' Home in Kuching and one was returned to North Borneo from this Home, to whom assistance and advice in settling down has been given by the Department of Labour and Welfare. In addition, advice or attendance by a member of the Department was given in thirty-three Court cases.

Prison Welfare

All prisons and lock-ups are visited regularly by Prison Justices and Prison Visiting Committees. For further details see page 111.

Red Cross Society

The North Borneo Branch of the British Red Cross Society, formed on 1st April, 1948, is organised on the basis of two Divisions in Jesselton and Sandakan respectively; five Centres in Kudat, Kota Belud, Beaufort, Labuan and Ranau; a Group at Keningau and Representatives in Tenom, Papar and Bundu Tuhan. There are six Detachments, two at Jesselton, two at Sandakan, and one each at Kota Belud and Ranau, with a total strength of 337 members. In addition Junior members including Cadet Units and Links, number about 500. The Headquarters of the Branch are at Jesselton, and the work is greatly aided by the services of a London Headquarters Field Officer who spends most of her time in North Borneo, but also visits Sarawak and Brunei to forward the work of Red Cross there.

Numerous cases are dealt with each year, each case being thoroughly investigated by the Welfare Officer or Area Representative as to what assistance would be of greatest value. Relief is given in the form of food and clothing parcels, and in several instances light work has been found for patients discharged from hospital. Several patients requiring operations for which facilities are not available in this country were sent overseas for medical treatment—these included treatment of a cancer case in Hongkong; the sending of a blind child to the School for the Blind in Singapore and assistance in her maintenance there; the fitting of artificial limbs for two local patients in Kuala Lumpur.

Sewing parties consist of lady members of all races who meet weekly to sew garments for welfare cases and also for emergency relief supplies.

Liaison is maintained with the following organisations—St. John Ambulance Association for the manning of First Aid posts; Girl Guides and Boy Scouts for instruction in First Aid, Kent College for the training of student teachers in First Aid, and Hygiene.

Detachment members pay weekly visits to the Old Folks Home where comforts such as cigarettes, biscuits and magazines are distributed and also to the hospital where patients are given magazines and toys weekly.

All uniformed members receive weekly instruction in First Aid, Nursing, and Hygiene, and talks on simple First Aid have been given to several schools throughout the Colony.

Close co-operation is maintained with all other Branches in Sarawak, Brunei, Singapore and Hong Kong. Contact can also be made through National Headquarters, London with other National Red Cross Societies, of which there are eighty-one, should their assistance be required.

Regular gifts of toys, health kits, clothing and magazines are received from the United Kingdom, America, Canada, Australia and New Zealand, for which the Branch is most grateful.

St. John Ambulance Association and Brigade

The St. John Ambulance Association and Brigade has made steady progress throughout the year. The usual activities such as public functions, sports and race meetings, have been attended by members of the Brigade.

In February a visit was made by Major-General Kirkman from London Headquarters, and from this visit much was gained. While the Major-General was here, mention was made of the possibility of St. Johns obtaining an organiser from Malaya for a period of a few months, and through the generosity of London Headquarters this was made available. The organiser's services were of tremendous value both to the Association and the Brigade, and while she was here a very successful Brigade Officer's course was conducted.

Several First Aid and Home Nursing classes were organised. In Keningau and Papar new divisions were formed which, with the divisions already existing in Jesselton, now bring the total to seven.

The end of the year showed a considerable increase in membership and actively continues to develop.

Boy Scouts

With the continued growth of Scouting in North Borneo an increase of three hundred in the past year there have been several changes for the purpose of administration. The Districts now are; West Coast, Labuan, Interior, East Coast, and Tawau; each with its own District Commissioner and Local Association.

The number of uniformed members has risen to 1,235, and there are 128 Wolf Cubs.

There are thirty-eight Scout Troops, three Sea Scout Troops, eleven Senior Troops and eight Wolf Cub Packs. Of the forty-one groups, thirty-four are sponsored and seven are open.

At the St. George's Day Parade, the Chairman of the Colony Council received the Silver Acorn, and the Leader of the Kent College Training Group the medal of Merit. Three Scouters have passed and are due to receive the Wood Badge.

During the year, His Excellency the Chief Scout opened a Scout Hut in Sandakan and there presented two East Coast Scouts with the Queen's Scout Badge.

A Training Site has been obtained at Petagas and the work of clearing it is in progress.

Girl Guides

There has been a marked increase in the number of Guiders and Guides of all nationalities and many now have had overseas training and experience. For the third successive year the association has published an annual report.

Local Associations exist in Jesselton, Beaufort and Sipitang, Kudat, Sandakan, Tawau and Semporna districts and give valuable help and support.

The Chief Guide, Lady Baden Powell, visited the Colony in April and toured all Districts. Her visit gave great encouragement to all connected with the Guide movement. A record number of proficiency badges were awarded and many girls attempted to gain their second class badges before Lady Baden Powell's arrival. Guide exhibitions illustrating "Let us show you Borneo" were held at each centre and many hours were enjoyed at large camp fire gatherings.

A welcome addition to the Borneo establishment is a Trainer for Sarawak, Brunei and North Borneo and after a preview of the Colony by a tour of centres will be established in Jesselton for seven months to train Resident Guiders and foster newly formed Cadet companies.

Mrs. Jeans, Brown Owl of 2nd Jesselton Pack, was awarded the Girl Guide Association Gilt Cross for Gallantry, after rescuing a man from drowning when his outboard boat capsized.

North Borneo Anti-Tuberculosis Association (NOBATA)

The Association was registered in 1953 as a local voluntary social welfare organisation to help patients and their families and to assist the Medical Department in their preventive measures.

The Association depends on voluntary contributions from the general public and the Social Welfare Council grants that are donated twice annually.

During 1958 the welfare and relief work of the Association increased with the help of the many voluntary workers who came forward, and the result has been that far many more families can now be looked after and visited.

Occupational Therapy in the Hospital Wards has progressed and ex-patients are found work in various walks of life, as gardeners, car-cleaners or rubber tappers. Articles that are made are sold and in the near future NOBATA will have a stall where members of the public will be able to order or buy articles on show.

A close liaison is maintained with the Medical Department and the British Red Cross Society and other Associations in many parts of the world.

There are Branches of NOBATA throughout the Colony and their work has increased and expanded during the last year.

Rotary International

There are at present two active Rotary Clubs in the Colony, at Jesselton, and at Sandakan on the East Coast. Membership has steadily increased during the year and it is envisaged that new Clubs will be chartered in the near future with the eventual formation of a Rotary District for the Borneo territories. Delegations from the North Borneo clubs attended District conferences and assemblies held in neighbouring countries.

The Jesselton club completed its 1957-58 project of building a Maternity Home at Penampang.

Minor projects of the West Coast Rotary Club include the provision of equipment for school laboratories, sports equipment for athletic associations, and the organisation of Essay competitions among school children.

The Sandakan Club have been most active in assisting community projects, particularly among the handicapped, and Scout groups. International service and contact with overseas students have been fostered by the Sandakan Club.

In Jesselton, the Rotary Inner Wheel Club, composed of the wives of Rotarians, continues to flourish and considerable assistance to Rotary Club projects and help in social Welfare Work is willingly given by the lay members.

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 twenty-flve Ordinances were enacted, the most comprehensive of which were dealing with co-operative societies and public entertainments. Amendments to other Ordinances reflect the ever increasing activities and responsibilities of Local Bodies and statutory corporations.

The object of the Co-operative Societies Ordinance (No. 3) is to enact in the Colony legislation based upon the model ordinance to provide for the constitution and control of co-operative societies within the Colony under the new Department. Here as in other matters there has been discussions with neighbouring territories. The Income Tax (Amendment) Ordinance (No. 19) in addition to dealing with other topics is an endeavour to extend to qualified companies treatment similar to that applicable to Oversea Trade Corporations in the United Kingdom and is designed to encourage re-investment in the Colony. The Interpretation (Definition of Native) (Amendment) Ordinance (No. 20) is to clarify the position with regard to the increasing number of immigrant workers who might claim to be included within the definition. By the Native Courts (Amendment) Ordinance (No. 21) a Native Court of Appeal has been constituted to exercise jurisdiction which was hitherto vested in the Governor and the Resident respectively. The Public Entertainments Ordinance (No. 23) has repealed and re-enacted the Theatres and Places of Public Amusement Ordinance. Provision is made for licensing to be carried out by local authorities subject to the reservation to the police of certain necessary powers relating to the prevention of fire hazards in places of amusement and of the exhibition of undesirable performances. The Reginald Edwin Gore Pension Ordinance (No. 9) make provisions secure to the widow and children of the late Mr. Gore the benefits of the Widows' and Orphans' Pensions Ordinance as if Mr. Gore had been a contributor thereto. Other Ordinances of a general nature or relating to particular amendments are as follows:

Crown Proceedings (Amendment) (No. 11), Electricity Board (Amendment) (No. 2), Estate Duty (Amendment) (No. 25), Firearms and Explosives (Amendment) (No. 7), Gaming (Amendment) (No. 15), Limitation (Amendment) (No. 12), Mining (Amendment) (No. 4), Medical Registration (Amendment) (No. 6), Municipal and Urban Authorities (Amendment) (No. 17), Passport (Amendment) (No. 5), Printing Presses (Amendment) (No. 1), Prisons (Amendment) (No. 16), Registration of Aliens (Amendment) (No. 10), Rubber Fund (Amendment) (No. 13), Rubber Industry Replanting Fund (Amendment) (No. 14), Town and Country Planning (Amendment) (No. 8), Widows' and Orphans' Pensions (Amendment) (No. 22) 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 Ordinances, shall be in force in the Colony.

The Courts functioning throughout the Colony for the adminis-

tration 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 most of the year one full-time professional Magistrate held Court in Jesselton, but also heard cases in Sandakan and other main centres of the Colony. This officer died suddenly in November, 1958; and his post remained vacant pending the appointment of a successor.

The other Magistrates are drawn from the Administration. Of these there are gazetted thirty Magistrates of the First Class, eight 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 1958 will be found in Appendix VIII.

Native Courts

Quite distinct from the Magisterial Courts are the Native Courts, of which there were thirty-five 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, 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 1958 a total of 1,960 cases were heard by the Native Courts. There were forty-nine appeals to District Officers, twelve to Residents and four to the Governor.

POLICE

Organisation

The Headquarters of the North Borneo Police Force are at Marina Barracks, some five miles south of Jesselton. Immediately adjoining are the Police Depot and Training School.

The Colony is divided into three Police Divisions. The East Coast Division containing the Sandakan and Tawau Residencies, the West Coast Division containing the West Coast Residency and Labuan, and the Interior Division which contains the Interior Residency.

The East Coast Division is commanded by an Assistant Commissioner of Police, who has his Headquarters at Sandakan and comprises three Police Districts having a total of eight Police Stations. Each Police District is commanded by a Gazetted Police Officer. In addition the Marine Branch of the Force is based on Sandakan for patrolling the East Coast and it also mans two out-posts located on strategic islands.

The West Coast Division is commanded directly from Police Headquarters and comprises five Police Districts having a total of eleven Police Stations. Three of the Police Districts are commanded by Gazetted Police Officers and two by Inspectors.

The Interior Division is also commanded directly from Police Headquarters and comprises two Police Districts with a total of eight Police Stations. One of the Police Districts is in the charge of a Gazetted Police Officer and in one the Senior Administrative Officer performs the duties of the Police Officer although it is hoped to post an Inspector to the district in the near future.

Establishment and Strength

In 1958 the Establishment was increased by six Inspectors. There was a decrease of two constables to allow for an increase of two clerks.

The tragic death of Mr. A. R. Millar, Assistant Commissioner of Police acting as Deputy Commissioner occurred on 9th December, 1958, when an R.A.F. Shackleton aircraft on anti-piracy patrol in which he was travelling to give advice crashed in the sea to the north-east of the Colony.

The Establishment and Strength for 1958 were as follows:—

		Establishn	nent Str	ength	
		1958	1.1.58	31.12.58	
Gazetted Officers		24	20	21	
Inspectors		33	23	33	
Sergeant Majors		20	14	18	
Sergeants		68	59	51	
Corporals		113	95	110	
Constables		754	735	764	
Rural Constables	• • •	26	30	24	
PIEs		13	13	13	
Teacher	• • •	1	1	1	
Тота	AL	1,052	990	1,035	

The racial composition of the Force on 31st December was twenty Europeans, 593 Dusuns, 171 Muruts, seven Malays, forty Chinese, twelve Indians, ten Pakistani, seventeen Sikhs, seventy-one Bruneis and 104 others.

Police Reserve and Special Constabulary

The numbers of police reservists dropped by twenty-seven during the year and stood at 195 on 31st December. This was because a number had reached the age limit and were therefore discharged. The police reserve consists of personnel who have had at least three years' service and who, on leaving the Force, volunteer to go on the reserve. Members of the reserve are called up for training from time to time.

The Special Constabulary continued to be active in some places, particularly in Semporna, but in other places results continue to be disappointing. It is thought that the formation of Volunteer Fire Brigades is partly responsible for this.

Recruits and Training

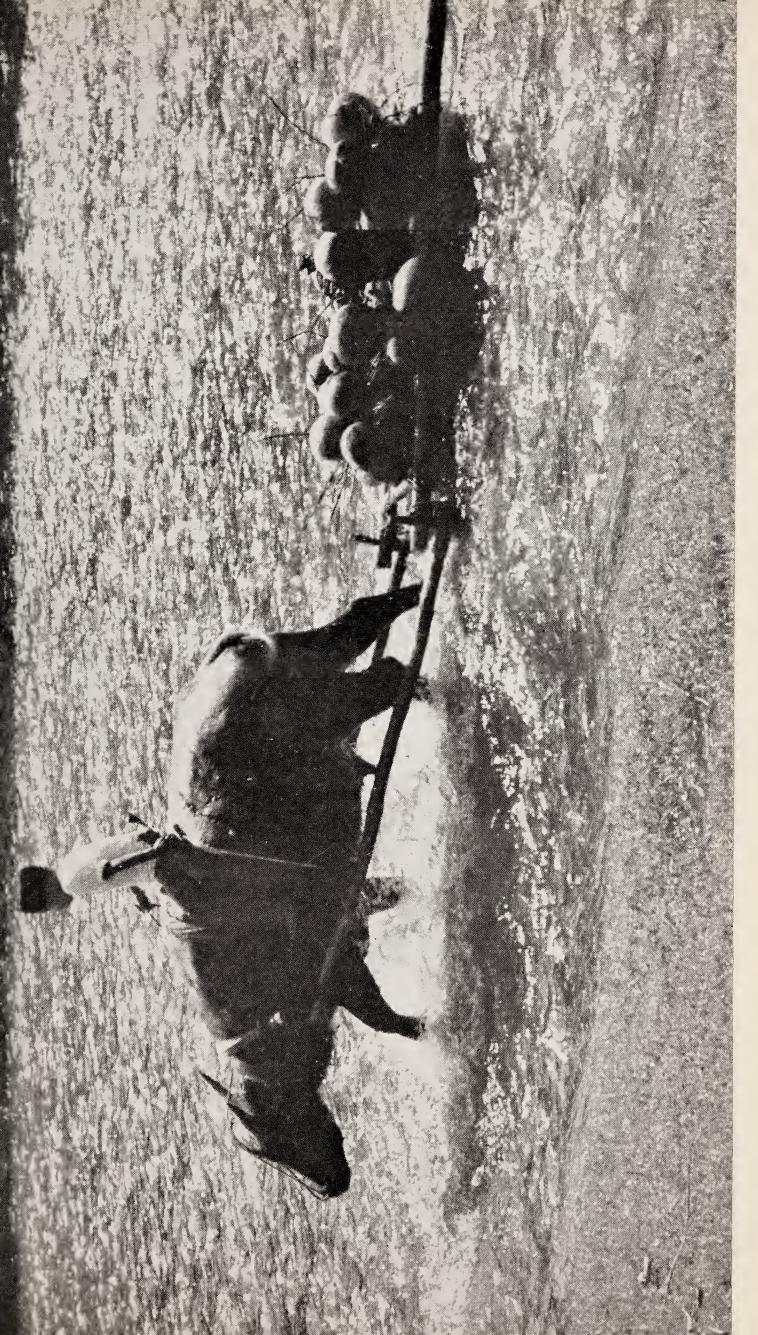
The improvement in the educational standard of applicants for enlistment was maintained. Of 405 men interviewed who desired to enlist, 118 were accepted for training. This is a most satisfactory state of affairs as it provides a much greater choice from which to select the best material. A number of the men now speak English on recruitment and more Chinese are applying for enlistment.

English classes at Primary II, III and IV standards now form part of the normal recruits' course and two teachers were engaged on a part-time basis to conduct the classes.

	In Training	Co.	mpleted	Training
On 1.1.58	69	In 1958	•••	90
Recruited during 1958	110	Discharged as		4.4
during 1936	118	unsuitable In training on	•••	14
		31.12.58		83
				
	187			187
	- Contraction and Contraction			

It was found impossible to hold any promotion or refresher courses during 1958 because of the reduction in the training establishment to meet the build up of establishment of the East Coast Division.

A successful training course for Inspectors was held at the Depot towards the end of the year. One Inspector and eleven Probationary Inspectors attended. The opportunity was taken to





Day dreams at the Market-Kiau Dusun girl at Kota Belud Tamu.

put a number of the Probationary Inspectors through the examinations they require to pass before confirmation in rank. The results were most satisfactory.

On 2nd June 1958 B Squadron of the 22nd Special Air Service Regiment 52 men in strength dropped by parachute near Berungis and commenced an operation. The intention was to make their way in small parties to Jesselton and to destroy four preselected targets. Two platoons of the Mobile Force were deployed to prevent this by means of ambushes and roving patrols. The operation, known as Operation Flying Dusun, was most successful and all who took part in it gained much knowledge. An interrogation centre was operated and dealt with forty-four prisoners over the three day period of the exercise.

Discipline, Health and Welfare

Discipline was well maintained throughout the Force during the year. Morale remained excellent but the shortage of married quarters, which has been slightly eased, still causes some distress.

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. These 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 continued to do well in all forms

of sport.

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.

Clinics

Average attendances at the Depot Clinic continued to increase and the number of clinics held showed an increase on the 1957 figure because public holidays did not in 1958, coincide so much with clinic days as in 1957. Comparative figures are as follows:

			1955	1956	1957	1958
Number of	Clinics	held	 51	52	47	50
Attendance	• • •		 3,540	4,336	4,168	4,492

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 Band increases in popularity. It has improved greatly in performance since the arrival of a new Bandmaster. A successful visit was made to East Coast townships and to a number of tamus on the West Coast. The personnel of the band are incorporated in a platoon of the Mobile Force.

Transport

One new Land Rover, an Austin "Gypsy" and an Austin Lorry were purchased during the year as replacements and two Land Rovers were taken off the road. Two new motor cycles were taken into use and three old motor cycles were taken off the road.

Marine Branch

During the year another 37-foot kumpit was laid down and completed and two old kumpits were withdrawn.

At the end of the year the craft in operation consisted of three 70/75-foot launches, five 37-foot kumpits, one 26-foot kumpit and two 16-foot harbour launches.

The 37-foot kumpits continued to have engine trouble although the main fault in the water pumps, was eradicated by the installation of new pumps by the makers. A new type of engine is now being tried.

The total mileage steamed in 1958 was 67,046 as compared with 56,559 in 1957.

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

The Police Marine Branch was responsible for the detention of thirty-nine foreign craft and the arrests of 135 persons for infringements of the law in territorial waters. The majority of the craft seized were confiscated and sold by order of the Courts. The Branch also assisted in the investigation of offences reported along the coastline.

Marine patrols were again supplemented by occasional visits and patrols by R.A.F. aircraft and by units of the Royal Navy, Royal Australian Navy and Royal New Zealand Navy which have had a very valuable effect on morale along the East Coast and which undoubtedly serve to some extent as a deterrent to

would-be marauders who operate from outside territorial waters. The loss of the R.A.F. Shackleton plane on patrol in December is deeply regretted.

Training of serangs progressed. During the year one man qualified as a Grade I Serang and eight as Grade II Serangs.

Radio Communications

There are HF radio sets at Police Headquarters and at a number of police stations. All the sea-going launches and kumpits are fitted with radio. In addition, there are VHF networks covering the Jesselton and Tawau areas, the last being installed in 1958. All radio sets are installed and maintained by the Posts and Telegraphs Department.

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

Buildings

A new married quarter barrack was occupied during the year at Tawau. New Special Branch offices were completed at Head-quarters and at Sandakan and Tawau and a new Police Station at Bombalai in Tawau was completed and occupied.

Two outposts located on strategic islands continued to be occupied and are equipped with radio sets. A new watch tower was erected at Tigabu and a small wharf at Bohoy Dulong.

Crime

Serious crime is fortunately rare, 4,223 offences of all categories were reported in 1958, of which 3,091 were accepted as true cases, an increase of 912 true cases over the previous year's figures. This increase is mainly due to an increase of 112 cases under the Penal Code and 533 under the Road Traffic Ordinance. 2,517 convictions were obtained in 2,677 cases taken to Court, the number of persons convicted being 3,083 as compared with figures of 1,688, 1,826 and 1,920 respectively for 1957.

There was an increase of four in the number of true offences against the person compared with 1957 figures and an increase of ninety-seven in the number of accepted offences against property.

Comparative figures for Penal Code offences against the person and against the property are as follows:

	1953	1954	1955	1956	1957	1958
Offences against person	62	63	116	94	124	128
Offences against	0.22		110		,1. 24	1,220
property	553	618	617	553	554	651

Detailed crime statistics will be found at Appendix X.

131 juveniles and young offenders aged between seven and twenty-one years were convicted of offences against the Penal Code, an increase of eighteen over last year. Seventy-one of these were convicted of theft and twenty-two were imprisoned. Of 348 juveniles and young offenders convicted of offences under the Laws of the Colony other than the Penal Code, 158 were concerned with traffic offences and 110 with the Immigration Ordinance. Of the latter sixty-eight were imprisoned.

1,349 criminal fingerprint enquiries passed through the Finger Print Bureau representing an increase of 403 when compared with 1957. Of this total 223 (or 16.5 per cent) were traced. 973 new sets of fingerprints were added to the Bureau records bringing the total registered to 8,154.

Immigration

Police have performed this duty since 1955. A full time Staff Officer (Immigration) is employed at Police Headquarters, all Officers-in-Charge Police Districts are Assistant Commissioners of Immigration and Officers in Charge Police Stations are Immigration officers in addition to their other duties. Thirteen Police Immigration Examiners and thirteen clerks are also employed full time; other Police and clerical personnel assist.

Comparative figures of international travel documents, visas and entry permits issued are as follows:

	1956	1957	1958
Passports, New	 355	761	878
Passports, Renewals	 244	248	275
Certificates of Identity	 3,996	2,175	2,325
Visas	 856	608	903
Entry Permits	 259	104	142
Labourers Permits	 6,856	3,630	4,494
		-	
	12,566	7,526	9,017

Shipping, aircraft and passenger statistics are as follows:

	I	1956	1957	1958
Labuan				
Ships		1,308	1,737	1,437
Aircraft		2,794	2,867	2,033
Passengers-In		12,557	12,979	10,646
Passengers-Out		13,334	13,676	11,749
Passengers Transit		21,429	10,269	8,934
Sandakan				
Ships		1,397	1,421	1,307
Aircraft			6	
Passengers-In		12,350	12,219	9,662
Passengers-Out		11,985	12,339	9,470
Passengers Transit				1,634
Tawau				
Ships		4,179	3,766	3,469
Aircraft		******		
Passengers-In		27,772	21,082	17,890
Passengers-Out		26,496	21,063	17,890
Passengers Transit				
Other Ports				
Ships		276	326	1,636
Aircraft				127
Passengers-In		2,644	4,821	6,310
Passengers-Out		2,639	3,839	5,449
Passengers Transit		-		

The increase in aircraft entry in other parts is due to the fact that Malayan Airways, Borneo Airways and the Borneo Evangelical Mission land planes at Jesselton and, in the case of the Mission, at Ranau direct from Brunei instead of calling first in all cases at Labuan as they used to do.

PRISONS

Organisation

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

There is a Central Prison at Jesselton which can accommodate 188 men and ten women prisoners and which is under the charge of a Superintendent of Prisons. There is a smaller prison at Sandakan. In addition there are sixteen lock-ups in other stations in 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 prison at Sandakan. All persons who have received sentences of twelve months or more are transferred to the Central Prison at Jesselton.

Staff

A new post of Principal Officer was created but unfortunately no suitable candidate has yet been found to fill the post. Two posts of Senior Warder were upgraded to Assistant Chief Warder, and six posts of Warder were upgraded to Senior Warder. One warder's post was abolished and that of Trade Instructor introduced. The title of Gaoler in the 1957 Establishment was changed to that of Chief Warder in 1958.

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

		Establishment		Strength
		31.12.57	1.1.58	31.12.58
Gazetted Officers		1	1	1
Principal Officer		Anglane - November - Albert -	***************************************	
Chief Warders		2	1	1
Assistant Chief Warders			2	2
Senior Warders		3	3	7
Warders	• • •	57	52	50
Wardresses		3	2	3
Trade Instructor				1
Clerks	• • •	2	2	2
		68	63	67

Discipline and Health

Prison offences showed a decrease during the year. Twenty-four disciplinary offences were committed by prison staff as compared with forty-six in 1957, whilst there were thirty-nine offences committed by prisoners against regulations as compared with seventy-three in 1957.

There were three escapes during the year and one of the prisoners concerned was recaptured.

Health was satisfactorily maintained. During 1958 two prisoners died in the Prisons Hospital at Jesselton from Chronic Pulmonary Tuberculosis and Acute Nephritis respectively. One prisoner died in Jesselton General Hospital from Peritonitis due to a perforated duodenal ulcer.

Trained hospital dressers are stationed at Jesselton and Sandakan prisons and Medical Officers visit the Prisons 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. There are workshops for tinsmiths, carpenters, cobblers, blacksmiths and tailors. Prisoners with an agricultural background are given the opportunity of working on the prison farm.

Welfare, Education and Sports

Books and magazines are available to prisoners at the prisons and lock-ups.

Films are shown once a month at the Central Prison, and the prisoners produced four concerts devised by themselves during the year.

Volley ball, table tennis, football and badminton are played in the evenings. During the year several local teams were played at

volley ball and football.

Two English classes, a literacy class and a simple mathematics class continued to be held at the Central Prison. The literacy class is compulsory for all illiterate prisoners while the others are voluntary.

Visiting Justices and Visiting Committees

The Visiting Committees visited all prisons and lock-ups monthly. Lady members of these Committees regularly visit women prisoners at Jesselton and Sandakan. Their reports during the course of the year have been most satisfactory and complaints by prisoners very few.

Admissions

950 male and thirty-six female adult prisoners were committed during the year and of these 609 males and twenty-two females were sentenced to imprisonment.

Juvenile Delinguents

The number of juveniles admitted on remand decreased from twenty-three in 1957 to fifteen in 1958. Seven were convicted of whom six were discharged on the signing of a bond and one was sentenced to less than one month.

Chapter 10: Public Works and Public Utilities

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. The Departmental Headquarters are at Jesselton, which include the specialist branches of Architecture, Hydraulics, Mechanical and Electrical, and Roads, each under a Senior Executive Engineer. A Divisional organisation has been set up with six divisions under Executive Engineers for Jesselton, West Coast outstations, Sandakan, Tawau, Interior and Labuan respectively. During the year the senior staff was brought up to its full establishment, though there was still a shortage in the junior technical and professional grades.

Expenditure

Total expenditure for the year amounted to approximately \$20.3 million, of which \$4.21 million were met from Colonial Development and Welfare sources and \$3.89 million from loan funds. Personal Emoluments amounted to \$1.33 million or 6.65 per cent of the Department's total expenditure during the year. It was unfortunate that due to financial restrictions, expenditure had to be severely restricted during the latter half of the year otherwise it would probably have reached the twenty-four million mark, and the personal emoluments percentage correspondingly reduced.

Wharf Construction

New godown facilities were completed at Labuan and Sandakan and development work commenced at Jesselton on new Customs offices and Godowns and at Tawau on a new deep water berth and godowns.

Sewerage

The construction of the various sewerage schemes designed by a team of the World Health Organisation proceeded apace. Schemes are already in partial operation in Jesselton and Sandakan and work is well advanced in Labuan, Beaufort and Tenom.

Reclamation

A further reclamation scheme was started in Jesselton at Kampong Ayer to complete the shop-lot area of the town plan.

This will be mainly carried out by dredging from the harbour bed. At Sandakan work is well advanced on a reclamation at Kampong Glam in this case using fill excavated from an adjacent hill on the levelled area of which is to be built a new Chinese Primary School. Reclamation was also commenced at Tawau for the new wharf scheme.

Airfields

At Labuan the runway, taxiways and parking area were test rolled, where possible, up to a maximum of L.C.N. 55. Most of the runway was found to be safe but trouble was experienced with the taxiways and the parking area particularly after the onset of the rains in the latter part of the year. Emergency action was necessary to strengthen the taxiway. Meanwhile full investigations on subsoil conditions have revealed the necessity for major improvements to the whole of the parking area.

At Jesselton the temporary strip continued in use, though due to the very dry spring the old grass strip was available most of the time. Work on a new permanent strip commenced in January, and by the end of the year the lower layer of the bituminous carpet was practically complete. A decision to rebuild the terminal building was taken in September and the roofing was already going on by the end of the year.

With the introduction of the Twin Pioneer Aircraft of Borneo Airways Limited, it was necessary to widen the runways and improve the turning circles at Kudat, Lahad Datu and Tawau.

General

The new workshops at Jesselton were further improved and the transport depot came into operation in September for the servicing of all Government transport in the area. The Sandakan workshop was also completed.

A Soils laboratory was set up during the year and more than paid for its cost in the savings effected on the new Jesselton runway, apart from the daily control of the work which was also much improved. In conjunction with test rolling and California Bearing Tests the soils analysis provided much valuable information. Tests were also carried out on concrete and aggregate and various types of bricks, for works throughout the Colony.

DRAINAGE AND IRRIGATION

The establishment of this branch of the Public Works Department was improved with the recruitment of an additional executive engineer with irrigation experience, and a considerable increase in investigations and surveys was thereby possible.

Although the cumulative total rainfall for the year was very close to the average 100 inches from a farming point of view it was a year of drought with intermittent floods. During the first four months only two inches of rain fell in the irrigation areas of Papar and Tuaran with the result that the irrigation stations were operated for the sole purpose of providing water and feed for buffaloes which would otherwise have died. The month of May brought relief with twelve inches of rainfall but drought conditions were resumed in June and July when only 2"-3" fell. October and November provided a complete contrast; the whole West Coast and Interior were subjected to very heavy rains which brought in their wake the highest floods in twenty years. In common with most other utilities the Irrigation and Drainage Works suffered some damage but were back to operating order within three days although repairs are still in hand.

In Papar the Irrigation scheme operated well and many of the minor difficulties of distribution to areas at the extremeties of the channels have been cleared. In all 5,500 hours pumping from the three stations supplied an estimated 1,500 million gallons of water to the fields. On the drainage side the work in hand last year of deepening the Benoni Diversion was completed and its success can be judged by the fact that despite a rainfall of twenty-two inches in the month of August there was only slight flooding and no padi was lost. To be safe however there is need for a further small amount of capital expenditure to develop the outfall through the tide control gates at Kinandukan and to provide a short protective bund near the village of Benoni itself to guard against back flow from the Benoni River.

In Tuaran the irrigation scheme continued to function well and with gradually improving cultivation methods and better distribution within the area the crop promised to be the best in ten years despite the severe drought which, without irrigation. would have resulted in the complete loss of the year's harvest. The total of 1,400 million gallons of water supplied from the two pumping stations was almost five times as much as was supplied in 1957. Late in the year the first section of the reclamation area was completed and 1,500 acres of land is now being subdivided for cultivation.

In the Klias Peninsula operational difficulties experienced in 1957 have been solved and although the drainage scheme has been completed to design water level for padi cultivation there is now a demand for the growing of rubber which requires a much lower water table. Works on drainge channels and outfalls to attain this have continued throughout the year and much of the area is under young rubber and is already producing additional catch crops of fruit and vegetables. The drought conditions during the year helped considerably with the result that the floods in October and November were of very short duration and did only very slight damage.

The Binaong settlement near Keningau continues to produce excellent crops of padi and an extension of the area under irrigation by a further 500-600 acres has been commenced. Survey works for the irrigation of the remaining 4,000 acres of Keningau Plain south of the Baiayo River are nearing completion.

Kota Belud on the West Coast is one of the oldest established padi areas in the Colony having about 4,000 acres under cultivation. About fifty per cent of this is irrigated by a system of native channels fed from a dam on the Tempasuk River. The areas beyond command of irrigation waters from the dam had a very poor crop in 1957 and during the 1958 drought were threatened with complete failure of their crop. Seven small water supply pumps were pressed into service as an emergency measure. At the close of the year these pumps were still working and there was every prospect that reasonable crops would be harvested. This situation shows that despite the high average annual rainfall, the distribution is such that consistent yields cannot be obtained without irrigation.

ELECTRICITY

The North Borneo Electricity Board, which came into being on 1st January, 1957, increased its Ordinary Capital to \$2,570,000 during the year, all of which was held by Government. The Board made a slight profit on its first year's working and was able to declare a dividend of one per cent.

There was considerable all-round progress throughout the year. A steady increase in sales reduced operating costs and enabled the Board to abolish the fifteen per cent temporary surcharge imposed in 1957, with effect from the beginning of September and also to introduce certain other tariff adjustments which were generally beneficial to consumers. Total sales from all stations amounted to 5,787,827 units while consumers rose from 2,461 to 3,319. As a rough guide there was an overall increase in consumption of fifty per cent over 1957 as compared with an increase of almost fifty per cent for the previous year. The Board declared a dividend of three per cent for the year.

The Board's distribution is by alternating current at 11,000 volts, 6,600 volts and three-phase 400/230 volts at fifty cycles per second. All supplies are on a twenty-four hour basis and through standardisation of plant the Board is in a position to meet demands for increased loads at relatively short notice.

The Board's Stations

The station capacity in Jesselton was increased from 1,485 kw. to 2,235 kw. in May. The transmission system was considerably improved during the year, with a marked reduction in breakdowns.

The number of consumers rose from 1,681 to 1,916 and consumption from 2,787,441 to 4,146,289 an increase of forty-

nine per cent.

The Labuan station was found to have too large a capacity for immediate requirements and was accordingly reduced to 520 kws. Consumers increased from 440 to 521 with consumption rising from 896,782 in 1957 to 1,073,262, a twenty per cent increase. Improvements to the distribution system were completed and increased sales enabled charges to be reduced towards the end of the year.

In Tuaran it proved necessary to reconstruct the entire power station, increasing the installed capacity from 77 kw. to 192 kw. The number of consumers rose from 138 to 151 and the number of units sold from 96,652 to 146,507 an increase of fifty-two per cent. A High Tension supply was extended to the Agricultural Station, a distance of 1¹/₄ miles and will reach Tamparuli, a distance

of five miles, in early 1959.

At Kudat the new 150 kw. station has operated successfully throughout the year, the separate 25 kw. station for the hospital being abolished in May, 1958. The number of consumers increased from 176 to 256 and of units sold from 79,886 to 119,455, an increase of fifty per cent.

At Tawau the new station of 355 kw. was opened on 1st February with 336 consumers. The end of the year showed 475 consumers and a total sale of 295,980 units. Indications are that the Board has under-estimated the growth of demand in this rapidly developing port.

In Keningau, where there had never previously been a supply, new station of .100 kw. installed capacity was opened in

December with seventy-five consumers.

In Lahad Datu, which equally never had electricity, a new station with an installed capacity of fifty kw. was opened in December with eighty-three consumers.

The Board is now engaged in the preliminary works for new stations at Papar and at Tenom, both stations to be opened in early 1959.

Commercial Power Stations

The Sandakan Light and Power Company (1922) Limited, continued to supply electricity in Sandakan. The Company's power station has an installed capacity of 1,826 kws. of which 1,076 kws. is by steam generation and 750 kw. by diesel power. The number of consumers rose from 1,714 to 1,895 and the number of meters rose from 1,860 to 2,116. Consumption rose from 2,131,808 units to 2,469,728 an increase of 11.11 per cent.

Small private undertakings operated under short-term licences in Papar, Beaufort, Tenom and Semporna during the year. Those at Papar and Tenom were either taken over or were in process of being taken over by the Electricity Board during the year. These small stations have installed capacities of under 100 kw. and, with the exception of Beaufort which gives a two-shifts supply throughout the night, operate on a single-shift basis between the hours of 6 p.m. and 11. p.m.

A private licensee completed the installation in Kota Belud of a small station comprising two 30 KVA automatically regulated and protected diesel alternator sets with limited low tension distribution, operating unattended and inspected and serviced at approximately weekly and fortnightly intervals respectively from a central depot in Jesselton. Indications are that the experiment is technically successful, but load growth has been retarded by the severe economic set back experienced in the Kota Belud district, due to the drought menuoned elsewhere in this report. Similar installations in other small towns are planned for 1959.

WATER

The supply of water in urban areas in the Colony is nowhere 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 new Jesselton Water Supply came into operation gradually between March and June when the old supply from Bukit Padang was finally abandoned. This new scheme, originally designed to supply one million gallons per day was increased to one and a half million gallons per day before work was completed by installing additional pumps. The supply is by extraction from the Moyog River at Penampang, pumping to sedimentation tanks and filters near-by and then pumping to a service reservoir near the town at Batu Tiga.

The year was notable for a record drought on the West Coast which commenced in the late months of 1957 and carried on until May.

During the six months October 1957 to April 1958 only 25.46 inches of rainfall were recorded at Jesselton. The effect on the old water supply at Bukit Padang was disastrous and in fact it would have dried up altogether had not an emergency pumping scheme been installed in December to lift water from the Moyog River into the old reservoir to enable it to keep operating till the new scheme was completed.

Despite these difficulties, the amount of water supplied in Jesselton again showed a considerable increase from 141 million gallons in 1957 to 243 million gallons in 1958, representing a

daily average increase from 390,000 to 666,000 gallons.

The following supplies in gallons a day are also operated:

Sandakan	• • •	• • •	700,000
Tawau	• • •	• • •	400,000
Labuan	• • •		181,000
Tuaran	* * #	• • •	106,000
Lahad Datu	, Kudat, I	Tenom,	
Beaufort	and Ken	ingau	
totalling			236,000

Chapter 11: Communications

HARBOURS AND SHIPPING

The quantity of shipping entering and clearing from the Colony continued to increase due to the expansion of timber and copra shipments. During the year 16,868 vessels of which 2,098 were ocean-going used the fifteen Colony ports and timber loading points, representing a total gross tonnage of 6,826,949. This showed an increase of nearly a million gross tons on 1957. Cargo handled both inwards and outwards increased by a little over 100,000 tons and passenger traffic increased by 7,541 embarked and disembarked.

The table below shows the steady increase of the Colony's sea borne trade covering the period 1948-1958.

Year			Gross Tonnage	Cargo Tons	Passenger Traffic
1948			1,627,444	347,243	
1949			1,958,508	500,784	4at/trus-mAB
1950		• • •	2,436,246	508,857	
1951			2,488,416	580,753	quadrama.e.qu
1952			3,041,127	571,643	daliteramento
1953		• • •	3,342,394	580,126	74,185
1954			3,961,911	737,732	72,173
1955			4,540,797	843,601	77,592
1956	• • •		4,999,116	936,398	92,863
1957		• • •	5,918,374	1,147,244	100,476
1958	• • •		6,826,949	1,254,676	108,017

Detailed statistics by individual ports for 1958 are shown under Appendix "A".

Principal Ports and Harbour Facilities

Sandakan as the centre of the timber industry in the East Coast maintains first place in the shipping trade of the Colony. It handled during the year almost two million gross tons of shipping with nearly six hundred thousand tons of cargo, the main exports being timber and copra. The bulk of the copra cargo, which previously had been transhipped at Singapore, has been taken up by large ocean-going vessels for direct shipment to Europe, China and South America. A copra godown with a capacity of approximately 3,000 tons was completed towards the end of the year and an additional jetty was constructed by the copra traders to handle the increasing number of small copra vessels arriving in the port.

There has been a noticeable increase of wharf usage by ocean carriers. The largest vessel to enter the port and use the wharf during 1958 being the "Modjoekarto" gross tonnage 10,117 whereas the deepest draughted vessel to berth at the wharf was "Achilles"

gross tonnage 7,974 draught twenty-three feet, and the longest vessel to berth at the wharf was "Musi Lloyd", 9,723 gross tons length 528 feet. Requests for pilotage were accepted during the first ten months of the year during which period eighty-two vessels totalling 483,962 gross tons were piloted by the Marine Officer/Harbour Master. However, due to increased departmental commitments it was decided as a temporary measure to cease Government pilotage services at this port pending the appointment of a full-time pilot.

During the year work began on the new Shell wharf and installation at Pavitt Point. This will be completed in 1959.

Labuan, the principal transhipment port for the Brunei Bay area and the oilfields cargo retains second place in the shipping trade of the Colony, and handled during the year 1,376,157 gross tons of shipping (a figure slightly higher than in 1957) with 197,713 tons of cargo as against 216,535 tons in 1957. Reclamation of the port area on the foreshore east of Liberty pier was completed during the year where further godowns are planned. Pilotage services were introduced at the beginning of the year during which sixty vessels totalling 313,173 gross tons were piloted. The largest vessel to enter the port was the tanker "Italla Fassio", gross tonnage 11,273, which berthed on the Shell Oil Installation wharf. The longest and deepest draughted vessel to berth at the public wharf was m.v. "Sumatra" gross tonnage 9,553 length 520 feet draught twenty-seven feet.

Tawau on the South East coast near the Indonesian border including the timber loading point at Wallace Bay handled 989,003 gross tons of shipping during the year, 162,472 gross tons more than in 1957. The main exports were timber, copra and hemp. Cargo handled totalled 183,229 tons, an increase of some 5,000 tons on 1957. Plans for the construction of the new wharf at this port have been agreed upon and work is expected to commence during 1959. Reclamation work for the new port area started during the year. The largest vessel entering the port was s.s. "Teiresias", gross tonnage 8,924, and the largest to berth at the wharf during the year was s.s. "Shun Lee" gross tonnage 3,372.

Lahad Datu at the head of the Darvel Bay on the East Coast together with the timber loading point at Bohihan Island handled 812,279 gross tons of shipping with a total cargo of 106,622 tons, an increase of 177,170 gross tons and 16,758 tons respectively in 1957. About eighty per cent of this port's cargo was timber loaded at Bohihan Island. S.S. "Shun Hing" gross tonnage 5,965 was the largest vessel to enter the port during the year.

Jesselton, situated on the West Coast handled 716,058 gross tons as against 555,059 gross tons in 1957. The principal export is rubber. Cargo handled increased from 84,444 tons in 1957 to





Mouse Deer (Pelandok).

100,910 tons in 1958. The largest and deepest draught vessel to enter the port and use the wharf during the year was the Dutch cargo vessel "Musi Lloyd" 9,723 gross tons length 528 feet draught twenty-four feet. The principal oil companies, Shell and Standard Vacuum, completed their bulk oil storage depots in the vicinity of Government wharf during the year.

Bakapit, a timber loading port in Darvel Bay handled 435,070 gross tons of shipping of which 60,044 gross tons were ships calling at the new timber loading point at Silam Harbour which commenced operation in September. Total cargo handled was 60,128 tons. The corresponding figures for 1957 were 368,302 gross tons for shipping and 44,928 tons for cargo, an increase of some 70,000 and 20,000 tons respectively.

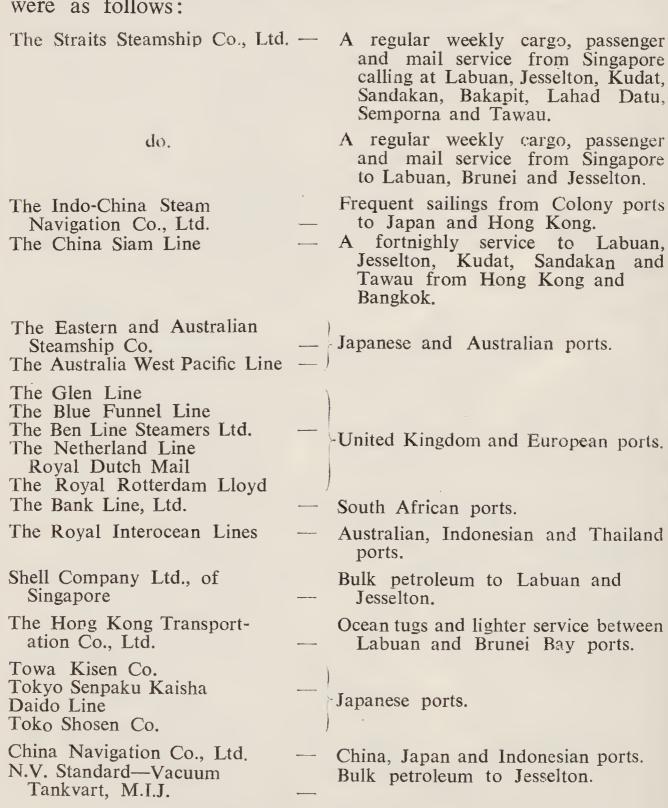
Kudat on the North coast handled the more regular cargo/passenger vessels totalling 329,238 gross tons with 27,321 tons of cargo during the year, a slight increase on 1957. M.S. "Hai Meng" 3,380 gross tons was the largest to enter and berth at the wharf during the year. New construction in the port area includes eight privately-owned godowns, a double carriage way approach to the Customs house and an enlarged parking space in the area. Plans for the construction of the new wharf are under consideration.

Wharves

Location Labuan	Accommodation of Outer Berth L	and L/D	Least Depths in Inner Berth	Feet L/D
Liberty Wharf 400' x 40' (600 feet be- tween dolphins)	One ocean-going vessel using mooring dolphins	26'	One 3,000-ton vessel gross	18
Small ships wharf 275' x 30'	Two coastal vessels.	12'	-	Sprintering
Shell Oil Installation Jetty. 175' x 25' (700 feet between dolphins).	One ocean-going vessel using mooring dolphins.	31	Ser-ne-ag	Milhoritys
Jesselton wharf 650' x 40'	One ocean vessel.	25	One 3,000-ton vessel. Two coastal vessels.	22′
Kudat Wharf 150' x 30'	One 3,000 ton vessel using mooring dolphins.	16		
Sandakan Wharf 740' x 40'	One ocean vessel One 3,000-ton vessel.	21	Two coastal vessels.	8′
Tawau Wharf 235' x 30'	One 3,000-ton vessel using mooring dolphin.	15	-	-
Lahad Datu Wharf 80' x 55'	One coastal vessel.	16	_	-

Shipping Services

There were no great changes in the main shipping lines operating in Colony ports during the year but the irregular calls by vessels of the Maersk Line instituted in 1957 were not maintained in 1958. A similar irregular service on the Indonesia—China—Japan run was however introduced by the China Navigation Company. There has been a marked increase in the number of Japanese vessels using the East Coast ports engaged in the timber trade to Japan. The main shipping lines operating during the year were as follows:



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

Merchant Shipping by National Flag entering the Colony ports during the year in order of tonnage and compared with 1957 were as follows:

Nationality	Number of 1957		Total Gross Tonnage 1957 1958	
British	2 912	1958 2,295	4,151,175	1958 4,189,422
Japanese	102	219	489,977	794,508
Dutch	90	113	301,789	561,309
Norwegian	. 156	197	352,132	520,124
Panamanian	. 52	41	79,740	93,690
Swedish	. 14	22	58,063	82,112
Danish	. 20	11	97,173	58,254
Italian	. 3	6	8,583	50,937
German	genteering	5	-	18,111
Chinese	. 3	7	4,055	10,803
Liberian	. 1	1	7,245	7,639
Honduras	g-matrices(light)	1	auditor dudy	7,177
French	. 3	2	6,782	5,966
Philippine	. 39	10	12,407	4,344
Thai		5	derven	2,290
Portuguese		1		53
American			8,385	-
Costa-Rican			7,977	-
Russian	. 1		7,176	
Indonesian			2,584	-
Korean			2,098	National Control Contr
Cambodian	. 2		1,996	State Processor of the State S
Miscellaneous				
(including vessel				
of North Borne				
registry and smal	1			
Philippine craft	10.612	12.002	240.02	400
etc.)	. 10,612	13,902	319,037	420,208
Total	. 13,913	16,838	5,918,374	6,826,947

Commonwealth men-of-war visiting Colony ports during the year were as follows:

Ports			H.M.S.	H.M.A.S.	H.M.N.Z.	I.N.S.
Labuan			2	green made	1	2
Jesselton	• • •		4	Substantial	3	
Kudat			3			
Sandakan			1	-	1	
Lahad Datu			1	-		
Tawau			4	1	1	gardinar-hally
	TOTAL	• • •	15	1	6	2 = 24

There were no visits by foreign men-of-war.

Coastal Shipping and Lighterage

Two 200/300-ton coastal vessels, two 100-ton powered lighters and two dumb lighters with one tug served as feeder service for the Straits Steamship main line vessels at Labuan for transhipment cargo to Brunei, Limbang, Lawas and Kuala Belait. L.C.T.type coastal vessels operated by the Brunei Shell Petroleum Company maintained the Labuan, Brunei, Kuala Belait and Miri run with general oilfield cargo. The Hong Kong Transportation Company have a total of twenty-five lighters and nine towing units with a total gross tonnage of 7,118 operating as stone-carriers in the Brunei Bay area and carrying general oilfield cargo between Labuan and Kuala Belait. One 300-ton coasting vessel owned by Messrs. Reynell Transportation Company, operates the service Labuan-Brunei-Jesselton-Kuching with bulk petroleum and another 300-ton vessel of the same company runs between ports on the East Coast with packed petroleum. A 500-ton vessel belonging to the Straits Steamship Company operates between Labuan and East Coast ports with packed petroleum and another as general cargo carrier between Sandakan and East Coast ports. In addition to the above, some 134 vessels including lighters, barges, launches and towing units totalling 8,676 gross tons were operated by the East Coast timber companies namely:

British Borneo Timber Co., Ltd.	• • •	22	vessel	s 1,207	gross	tons.
Bombay Burmah Timber Co., Ltd.	• • •	14	"	1,153	,,	,,
North Borneo Timber Co., Ltd.	• • •	15	,,	1,332	,,	,,
Kwong Borneo Development Co.		8	- >>	739	"	,,
Shing Kee Co		10	,,	783	,,	"
Borneo Abaca Limited	• • •	7	,,	696	,,	"
Bakau Company		.7	"	486	"	22
River Estates Limited		5	"	189	"	"
Kennedy Bay Timber Company		4	,,	143	,,	"
Miscellaneous	• • •	42	,,	1,948	22	,,

Air/Sea Rescue Operations

In conjunction with commercial vessels and aircraft, Government launches have been alerted on seven occasions in response to Air/Sea search and rescue operations which include the rescue of seven survivors by helicopter from a local vessel which foundered in the Brunei Bay area with the loss of four men.

Navigational Aids

The Colony is fortunate in having natural deep water harbours, a factor which makes port development and operation very economical, but the approach to the Coast of the Colony is made

hazardous due to reef-strewn waters. At the beginning of the year, the navigational aids established and extending from Brunei Bay on the West Coast to Cowie Harbour in the East Coast were:

(i)	Major Lighthouses (watched)	• • •		5
(ii)	Secondary Lights	• • •		5
(iii)	Light Beacons			9
(iv)	Leading Range Lights	• • •	• • •	6
(v)	Light Buoys	•••	• • •	5
(vi)	Port Lights	• • •	• • •	5
(vii)	Mark Buoys	• • •		8
(viii)	Coastal Mark Beacons	• • •		49
(ix)	Harbour Approach Beacons			195

During the year, the following new aids were established:

One Light Beacon and four mark beacons were established at the East Channel approaches to Victoria harbour. Also a leading shore mark beacon to assist vessels using the Shell Oil Jetty. Jahat Shoal light beacon between Labuan and Jesselton was replaced by a new tripod steel beacon. In Sandakan, Atjeh Rock Light buoy was replaced by a steel structure light beacon and a mark buoy was laid to mark a wreck in the harbour. Two beacons were laid between Berhala and the mainland to assist vessels loading timber. A wharf light was established at Lahad Datu. A buoy marking the position of an uncharted reef was laid at Semporna. The mark buoy at Bilean Malawali Channel was replaced by a light buoy during the year.

The floating equipment used for the maintenance and construction of these aids consists of the twin-screw buoy and mooring vessel "Badang" which is fitted with heavy lift equipment for buoys and moorings and a piling frame capable of piling marine beacons and structures. The major repairs to buoys, mooring and lighthouse equipment are carried out at the Labuan depot as is also the prefabrication of the steel beacon structures. The "Badang" steamed 5,738 miles on maintenance and constructional work and was absent from base for a period of 123 days during the year. General inspections and servicing were carried out by the 60-foot wooden single screw "Berhala" which during the year steamed 10,372 miles being away from base 111 days on these duties.

Government Vessels, Launches and Marine Craft

The 90-foot steel twin-screw Governor's launch *Petrel* built by the Pacific Islands Shipbuilding Company, at Hong Kong was completed and delivered during the latter half of the year. This increased the number of sea-going units to fourteen which with five harbour launches and forty-seven small riverine craft operated

for use of the Administration, Forestry, Marine, Police and Public Works Department altogether totalled sixty-six. The seven launches allocated for administration duties in the various districts steamed during the year 53,918 miles.

Registration of Ships, Boats and Fisheries

Comparative figures showing the number of ships registered at the end of 1957 and 1958 are as follows:

	1957		195	8
	No. Gross		No.	Gross
		Tonnage		Tonnage
Registry of British Ships under				
Merchant Shipping Act, 1894	 32	10,216	37	12,608
North Borneo Local Colony				
Registry (vessels of over				
ten tons)	 169	10,725	164	9,816

A total of 9,323 small craft (under ten tons) were registered and licensed during the year, under the Boats and Fisheries Ordinance (Cap. 16). These included 6,061 fishing boats, and 2,024 cargo boats most of which are generally used for short coastal trading between the various Colony districts and in confined and sheltered areas. A total of 2,084 fishery licences were issued during the year under the same Ordinance.

Merchant Shipping—Engagement and Discharge of Seamen

During the year, a total of 1,221 ship officers and ratings were engaged or discharged under articles of agreement before the Superintendents of Shipping at Labuan and Sandakan, i.e. 1,044 at Labuan and 177 at Sandakan.

Examinations for Certificates of Competency

A total of 149 candidates sat for competency certificate examinations during the year of which ninety-one obtained passes as follows:

Master Local Trade		• • •	20
Mates Local Trade		• • •	13
Helmsmen			22
Restricted Certificates		• • •	6
Engine Driver First Class	• • •	• • •	7
Engine Driver Second Class			7
Engine Driver Third Class			William St. Stanford
Restricted Certificates			16
		-	
	TOTAL		
	and the same of th		

In addition to the above, a total of thirty-two candidates serving in the various Government launches sat for their departmental grade certificates. Of these twenty-five were successful and issued with certificates of competency.

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

Surveys of vessels were carried out at Labuan, Sandakan and Tawau during the year by the Surveyor of Ships and Inspectors during which a total of 416 physical visits of inspections were made. Certificates issued were as follows:

Certificates for Registration,	
Admeasurement and Marine Service	e 169
Passenger Licences	128

Ship Repair Facilities

During the year, the Government-operated 120-ton Slipway and Engineering Workshops at Labuan, which are mainly employed in repairing and overhauling Government vessels, slipped and repaired a total of sixty-eight vessels totalling 3,189 gross tons, forty of which were Government and twenty-eight commercial. In addition, some 510 miscellaneous repair jobs were carried out on commercial vessels and equipment affoat at the Workshops repair jetty which included miscellaneous engineering, electrical, machining, blacksmithing, welding, metal and woodwork jobs. A 500-ton slipway and repair yard owned and operated by the British Borneo Timber Company at Sandakan was mainly operated for the servicing of the Company's own vessels. Other major companies in the East Coast operate small workshops and effect repairs to the hull or under water gear whilst beached on blocks. There is a private grid at Wallace Bay owned and operated by the Bombay Burmah Trading Corporation for their own use but repair work carried out is entirely dependent upon local tidal conditions.

RAILWAYS

The Government owned and operated metre gauge railway, with its headquarters at Jesselton, has a route mileage of 116 miles and serves much of the West Coast and part of the Interior. From Jesselton the railway runs in a southerly direction traversing the comparatively flat coastal strip and passing through the districts of Putatan, Kinarut, Papar, Kimanis and Membakut before reaching Beaufort, fifty-six miles away. This area is well populated and contains many rubber estates. Papar which is situated twenty-four miles from Jesselton, is rapidly developing into a major agricultural centre and assuming a suburban role to the Capital. Many of

Jesselton's workers reside in Papar and a daily commuter train service is operated to convey the Papar residents to and from their places of employment. From Beaufort the railway runs through hilly country and climbs approximately seven hundred feet in a distance of thirty miles through the picturesque Padas River gorge to Tenom which is the focal point of an important agricultural district containing some of the finest land in the Colony. From Tenom the railway runs a further ten miles to its terminus at Melalap. Tenom and Melalap are connected by good gravel roads to Keningau and Tambunan which provide much traffic for the railway.

A branch line, twenty miles in length, runs from Beaufort down to the coast at Weston, a small port on Brunei Bay, which is served by coasters with Labuan. A number of rubber estates, small holdings, logging camps and saw mills are served by this

branch.

Construction of the railway was commenced at Bukau some eight miles from Weston in 1896, work proceeding simultaneously to Beaufort and Weston. This section was completed and opened to traffic four years later. The line was then extended from Beaufort to Jesselton and Tenom, the whole being finished in 1905. The railway was very badly damaged by bombing in 1944 and 1945 and also suffered severely from lack of maintenance and renewal during the period 1942 to 1945. A major programme of reconstruction and rehabilitation necessitating considerable expenditure was planned and executed between 1949 and 1958, the benefits accruing from the work carried out are now becoming apparent.

During 1958 progress was made with reconstruction and development although at a reduced scale compared with preceding years. Labour was in good supply and motive power and rolling stock were adequate to meet the needs of both public traffic and

construction requirements.

Both goods and passenger earnings exceeded those for 1957, the former by nearly three per cent and the latter six per cent. There was a considerable increase in recurrent expenditure during 1958 which outstripped the gain in revenue and caused the operating ratio to deteriorate from 112.89 to 119.19. Increased expenditure was primarily due however to the purchase of revenue earning equipment, and the financing of repair work necessitated by floods and washouts. These items accounted for ninety per cent of the increase in expenditure. The relevant figures are:

Year	1	Revenue	Recurrent Expenditure	Operating Ratio
		\$	\$	
1956	1,5	592,853	1,656,156	103.97
1957	1,6	525,428	1,835,019	112.89
1958	1,6	551,532	1,968,422	119.19

Revenue for 1958 compared with 1956 and 1957 was as follows:—

			1956		1957		1958
Passengers	• • •	\$	651,070	\$	694,254	\$	714,899
Goods			774,723		750,286		789,671
Parcels			34,172		34,924		42,115
Mails			3,720		3,720		3,720
Livestock			11,809		13,539		12,157
Miscellaneous			117,359		128,705		88,970
		\$1	,592,853	\$1	,625,428	\$1	,651,532

Recurrent Expenditure for 1958 compared with 1956 and 1957 was as follows:—

			1956		1957		1958
General Managem	ent						
and Accounts	• • •	\$	127,600	\$	125,834	\$	195,680
Civil Engineering			435,650		518,837	·	528,331
Mechanical			•		•		· , · · · ·
Engineering			552,506		653,846		718,563
Traffic			273,389		280,928		273,165
Storekeeping			29,094		28,791		34,077
Miscellaneous	• • •		85,691		75,231		120,501
Renewals	• • •		152,226		151,552		98,105
		\$.1	1,656,156	\$1	,835,019	\$1	,968,422

Civil Engineering

Considerable improvement has been effected in the standard of the track between Jesselton and Beaufort resulting in an increase in line capacity and better timekeeping. Work carried out in the year under review has included a higher standard of drainage, a measure of stone ballasting and renewal of defective sleepers. Relaying and regrading of the Beaufort-Tenom section which was commenced under contract in 1955 continued and by the end of the year was practically completed. The work was subjected to considerable interruptions between September and November by abnormal weather conditions, heavy rains making earthwork difficult and causing a number of slips and washouts in the relaying areas.

No major bridge work was done except in the Beaufort-Tenom Section. A number of new culverts were constructed between Jesselton and Beaufort and a few others were renewed.

The construction of a modern passenger station in Jesselton was completed during the year. Rail service was provided to the bulk Oil Storage Depots but no further work was carried out on the proposed new Goods Yard and Depot. Several outstation staff quarters were built during the year under review.

Mechanical Engineering

The construction of goods stock continued during 1958 although at a reduced rate compared with previous years. The opportunity was taken to put in hand deferred maintenance and considerable progress was achieved. In addition the capacity of the Workshops was increased by the installation of additional machinery and re-arrangement of existing facilities.

Power and Rolling Stock

	In service	Under repair	Re- building	Awaiting Re- building	Total
Steam Locomotives	 7	2			9
Diesel Locomotives	 3		town-re-the		3
Petrol Locomotives	 4		and the Political Land		4
Diesel Train Set					
(174) seats)	 1	-		-,,,,	1
Railcars (6 seats)	 4	-	tumer-th.		4
Railmotor Sets					
(52 seats)	 2	-			2
Rail Jeeps	 6	3	The second		9
Coaching Stock	 23	1		1	25
Wagon Stock	 145	5		5	155

Traffic

The following table shows the traffic carried in 1958 compared with the two preceding years:

	_				
		Passenger	Passenger	Goods	Goods Tons
		Journeys	miles	Tons	miles
1958		641,238	9,666,660	51,695	2,326,275
1957		621,518	9,648,316	46,747	2,150,362
1956		593,593	9,081,973	48,955	2,276,407

The new 174 seater diesel train gave good service during 1958 and enabled considerable variation in demand to be met because of its extreme flexibility of operation. The increased tonnages of goods carried were achieved without any great degree of congestion or difficulty. It is becoming increasingly obvious however that the new Goods Yard and Depot is urgently required at Jesselton if a satisfactory service is to be given to the public.

The tonnage of rubber carried in 1958 was the same as that for 1957. The increased tonnage of goods conveyed was due to the movement of local building materials and provisions.

Staff

The Department was re-organised with effect from the 1st January, 1958 to provide for the establishment of the Traffic and Accounts Sections as separate entities each under the control of a local officer. In addition local candidates were recruited for training to fit them for senior positions in the Department. At the end of 1958 the total number of employees was 701 of which five were overseas officers, twenty-three senior executive and supervisory staff, eighty-three clerks and operating staff and 590 other grades, nineteen of the latter being employed on contract from outside the Colony.

ROADS

Notwithstanding the very great advances made since the war in air communications, the small mileage of roads in the Colony continues 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 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. In 1958 the first major road team job commenced work in the Tawau area; faced with doubts as to the wisdom of the construction of expensive bituminised roads, the decision was taken to construct an earth and gravel road in the first instance. This decision appears to have been fully justified for the resulting progress was good and the finished surface adequate for all present day needs even in rainy weather. A survey of all the roads of the Colony was put in hand as there were inconsistencies in the records which have still not been entirely eliminated.

The approximate position is as follows:

Bituminous Roads	• • •	• • •	217	miles
Metalled Roads	• • •	• • •	78	**
Earth/Gravel Roads			427	,,
			-	
	TOTAL	• • •	722	,,

Main Roads

Work on main roads continued under a Colonial Development and Welfare Scheme to the extent of about \$2,000,000 covering

over twenty separate jobs. As the end of a development period was approaching there were few new projects, work mostly being the completion and tidying up of schemes already in hand, notably the Jesselton-Tuaran, Kota Belud Road, Papar-Bukit Manggis and Jesselton-Penampang roads. The Tenom Lama Ferry was a new item which was nearing completion at the end of the year, the pontoon having been built in Hong Kong and delivered to the Site ready for erection.

The main effort was concentrated on the Tawau-Apas Road and this was being pushed forward at a rate of over a mile a month, and by the end of the year had reached the Apas River. Clearing to formation was proceeding beyond the Apas northwards to Quoin Hill and eastwards towards Balung Estate.

A survey gang and a small construction unit were posted to Beaufort to prospect a line northwards towards Membakut, and until the rains came in November was making good progress on the initial trace which was also being made suitable for jeep traffic for the time being.

Town Roads

A large proportion of the Public Works Department's road making potential continued to be used on the construction of urban roads. This is inevitable as the reconstruction and development of the towns in accordance with approved Town Plans demand the construction of streets, pavements and urban drainage to keep pace with the buildings.

Jeep Tracks

The highlight of 1958 was the completion of the Tamparuli-Ranau Track over a distance of forty-nine miles. Considerable difficulties were experienced in the centre portion crossing the ridges below Mount Kinabalu.

Altogether some \$745,000 were spent under this head, and the latest programme was practically completed. 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 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 for vehicles for the greater part of the year. These tracks have been mainly constructed under the super-

vision of District Officers, but with its increasing establishment the Public Works Department has been able to take over much of this work during the past year, and work is financed by a seventy-five per cent grant from Colonial Development and Welfare Funds.

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 Administrative Districts of Jesselton, Tuaran, Kota Belud and Penampang were declared to be the Jesselton Regulated area, and the Administrative District of Sandakan the Sandakan Regulated Area immediately the Ordinance came into force in 1953 and a declaration has been made in respect of Labuan District which became a Regulated Area on 1st January, 1957. In 1958 the Ranau District was declared to be a part of the Jesselton Regulated Area because of the fact that the earth road leading to Ranau from Tamparuli had reached the District. In these three areas transport companies have been formed and each has been granted a monopoly licence in respect of its routes. These companies are progressively being established on a sounder footing both financially and in respect of the service offered to the public. In the non-regulated areas bus services are still largely provided by the owner/driver and there are no monopoly licences.

The standard vehicle in use as bus, taxi or hired lorry has shown further improvement as the old vehicles are replaced.

The re-making and construction of roads in urban areas which continued throughout 1958 and in some places the laying of sewage and water pipes, caused traffic dislocation and some inconvenience to road users.

Construction of earth roads to open up the country progressed steadily and traffic along them is increasing and will increase as newly cultivated land comes into production. Vehicles of the "Land Rover" type towing trailers are in general use on all earth roads for the carriage of passengers and goods as larger vehicles have difficulty in negotiating many of the gradients and sharp corners.

From 1st April, 1957, bicycles were exempted from licensing, although owners are still required to register them. The figures for bicycles given in the comparative table below relate therefore to bicycles registered.

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

		1954	1955	1956	1957	1958
Motor Vehicles	• • •	3,134	3,532	4,380	5,019	5,725
Bicycles		22,476	22,763	28,140	28,898	26,469
Drivers		5,255	5,330	7,126	7,444	8,985

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. Similar problems exist in Sarawak and Brunei where internal feeder strips systems have also been developed. It became increasingly obvious and noticeable that additional and more modern aircraft would be necessary to cope with the increase of internal air travel and in 1958, following on the inauguration in 1957 of Borneo Airways Limited, (a private company in which fifty-one per cent of the shareholding is held by the Governments of Brunei, Sarawak and North Borneo) the fleet of three De Haviland Rapide Aircraft, formerly operated by Malayan Airways, was augmented by two Scottish Aviation Twin Pioneers. These aircraft were specially selected for their short take-off and landing performances in order to assist in further development of the interior as strip lengths of 600 yards only were required for their operation. The aircraft came into use on scheduled services in May, 1958.

Aviation Administration

The Department of Civil Aviation and Meteorological Services is responsible for the control and management of all 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 British Borneo Territories and has its headquarters at Jesselton.

Airports and Airstrips

Improvement of landing facilities made great progress during 1958. A Development Plan for Labuan Airport is under examination. The parking aprons have been examined for weak spots and are being improved, although much remains to be done to the runway before its condition becomes satisfactory for use by heavier

passenger aircraft. Its surface is at present rough, causing unstable braking conditions and rippling to aircraft with nosewheel steering; the main tyres of aircraft are also affected. The terminal building has had extensions made in the form of a New Control room being built on top of the existing Tower, which will soon be converted into the Flight Information Centre. The passenger handling facilities have also been enlarged to cope with the rising number of passengers handled.

Work on the reconstruction of Jesselton airfield commenced during the year. A new runway 4,500 feet in length and 100 feet wide was fast nearing completion at the end of the year. The runway is being built to accept aircraft of DC 3 Standards, but due to the method of construction, final weight bearing tests to be carried out on its completion are expected to show that the runway is capable of taking heavier and more up-to-date aircraft should the necessity or opportunity arise. The construction of a spacious new terminal building commenced towards the end of the year. The building is designed on the basis of the latest passenger handling picturesques, and should prove adequate to deal with increasing passenger traffic over the next few years.

All of the feeder airstrips have had their runways widened over a length of 600 yards and parking areas enlarged to enable the Twin Pioneer aircraft to use them. Kudat is the only exception, but works there are expected to be completed early in 1959.

Sites for future airstrips have been investigated and selected by the Operations Officer North Borneo both on the coast and inland; invaluable aid being given by District Engineers and District Surveyors. These strips have all been chosen for operation by Twin Pioneer Aircraft. The sites on the coast are at Semporna and Kunak, while inland they have been sought at Tenom, Tambunan, Pensiangan, Sepulot and Agis (although of the latter three, the only suitable site found was at Sepulot).

Safety Services

The safety services have been improved at all existing feeder strips by the addition of Pyrene foam trailer pumps drawn by landrovers which also carry chemical powder for fire-fighting purposes.

Personnel

A long needed improvement was made when early in the year the vacant post of Operations Officer, Labuan, was filled.

Training

The Air Traffic Control Officer Grade I went to Australia in August under the Colombo Plan to take a nine months course on fire-fighting training and operations duties.

Four Probationer Air Traffic Control Officers Grade III took a three months Primary Course in Singapore during the latter half of the year and all were successful in passing.

The four leading Firemen took a one month's observation training course in Singapore. A fortnight each was spent with the Singapore City Fire Brigade and the Civil Aviation Fire Service at Singapore Airport. This enabled the men to improve their own standards of training.

Incidents

Until December only minor aircraft incidents had occurred, involving only slight or no damage to aircraft with no injury to passengers or crew. The only major incident occurred on 9th December when a Shackleton of the Royal Air Force, on an antipiracy patrol in North Borneo waters, crashed into the sea while investigating a report from a U.S. Navy aircraft of men marooned on a coral island. When the aircraft failed to return to Labuan, the Royal Air Force instituted an air/sea rescue search of increasing intensity until on 11th December a total of eighteen aircraft from Transport and Coastal Commands including Shackletons, Hastings, Bristol Freighters, Valettas and a Sunderland were airborne. Aircraft of the United States and Philippines Air Forces also participated, and marines seagoing units, commercial and Government, were alerted and engaged in the search, covered the whole of the sea areas from the Indonesian borders on the East Coast to Sarawak shores as well as large stretches of land. The Rescue Co-ordination Centre moved from Singapore to Labuan to be at the centre of the operation. On Tuesday, the 16th December, a Shackleton carrying out a search of reefs and beaches sighted markings on Sin Cowe Island which proved to be those of the missing aircraft. It was established that a fishing vessel had seen the aircraft plunge into the sea and that there were no survivors. A Colony Police Officer and the aircrew of ten all lost their lives.

Statistics

Tables will be found at Appendix XIII giving details of Air Traffic movements, passengers and freight, details of Revenue and Climatological Summaries from the Meteorological Stations.

POSTS AND TELEGRAPHS

Posts

Despite the business recession, traffic in all classes of Postal Services remained steady and in many cases showed an increase. Sales of stamps, although lower than in 1957, were well above





Basket Weaver, Penampang District.

the printed estimates. The high figure reached for stamp sales in 1957 was due to the issue commemorating the 75th Anniversary of the granting of the Royal Charter to the British North Borneo (Chartered) Company and to the release for sale on 1st February, 1957, of stamps of 3 cents, \$5 and \$10 values, bearing the portrait of Queen Elizabeth.

Twice-weekly direct air mail despatches between Tawau and Singapore were commenced during the year and greatly improved the service between these two centres.

The direct air mail service operated by Qantas, between Australia and Labuan which operated on a weekly basis, was reduced to a fortnightly service and then cancelled as a result of disturbances in Indonesia. It has not yet been reintroduced.

Postal Agencies, with restricted services, were established at Melalap and Tenghilan and daily exchange of mails with Jesselton was introduced.

The daily mail service between Jesselton and Penampang is now operated by the Department.

Nine new licences to sell stamps were issued.

100 new private boxes were installed at Jesselton and were all rented during the year. An additional fifty boxes were also installed at Labuan and Keningau. Lamp posting boxes were erected at Sandakan, Jesselton, Labuan, Tenghilan and Kepayan.

Regular inspections with full surveys of all offices were introduced.

Comparative statistics of business (1957/1958) are shown below:

		1957	1958
Postal Articles (nos.)		2,482,948	2,401,048
Delivered Articles (nos.)		1,844,882	1,964,599
Transit Articles (nos.)		213,330	164,112
Cash on Delivery Parcels	• • •	\$668,012	\$617,182
Money Orders issued		\$505,882	\$485,273
Money Orders paid		\$227,574	\$236,046
British Postal Orders issued		\$ 57,424	\$ 67,017
Sale of Postage stamps		\$814,910	\$630,261
Customs duties on parcels	• • •	\$270,850	\$298,089

Telephones

During the year a considerable improvement in the quality of telephone communications was made possible as new rural automatic exchanges were installed in the smaller townships of Beaufort, Papar, Tuaran, Kota Belud, Keningau and Lahad Datu. These new exchanges replaced old manual switchboards and together with an expansion of through dialling facilities made it

possible to reduce the number of operators handling calls. These exchanges are now connected by VHF radio telephone trunk circuits to all main centres throughout the Colony.

This development, together with the smoother deliveries of telephone equipment during 1958, which enabled the work of installation to proceed without undue delay, resulted in a greatly increased demand for new telephone services from the public.

The standard of communications has been further improved by the use of multi-pair telephone cable which has replaced old open wire routes for local distribution. Although the bulk of this work was carried out in 1957 an appreciable increase in new telephone subscribers necessitated the installation of more than forty-eight miles of cable this year.

The number of working automatic telephones increased during the year from 1,709 to 2,324. Although a proportion of this increase was the result of conversion from manual working to automatic, 457 new subscribers telephones were connected, representing more than a 25 per cent increase. 97 per cent of all telephones within the Colony are now automatic.

In addition to the installation of the rural automatic exchanges mentioned above, Likas automatic exchange was replaced by a nity-line rural automatic which absorbed all subscribers previously connected to Inanam and junction equipment was provided to give through dialling facilities to and from Jesselton. Kudat exchange which was installed in December, 1957, developed rapidly and the capacity of the exchange was increased by a further fifty lines during the year.

A carrier circuit working over the reconstructed overhead line route from Jesselton to Beaufort, a distance of fifty-six miles, now provides a high quality trunk service whilst another twenty miles of telephone route between Beaufort and Weston was rebuilt and a number of intermediate estates were given a direct automatic service to Beaufort and an outlet to other radio and trunk services. The rebuilding of the Beaufort/Tenom route continued and it is expected that a carrier trunk circuit will be in operation early in 1959.

Membakut was converted to automatic working and given through dialling to Beaufort, while Tamparuli was provided with similar facilities on the Tuaran exchange.

A fairly extensive programme to increase the capacity of most of the exchanges has been planned for 1959 and in particular, a new main automatic exchange is to be installed at Labuan to replace the existing rural automatic exchange.

In Sandakan temporary arrangements are being made to increase the capacity of the main exchange pending the provision of a 500-line extension in 1960, and an order has been placed for a more modern main automatic exchange for Jesselton.

Radiocommunications

The first multi-channel VHF radio telephone trunk circuit connecting Labuan and Jesselton through the repeater station at Kambarangan on Mt. Kinabalu was opened in June and two months later a similar system between Sandakan and Jesselton was brought into service. These trunk services proved tremendously popular with the public and are in great demand.

Lahad Datu was provided with two single channel VHF radio telephone trunks to Sandakan and the VHF trunk circuits between Jesselton and Kota Belud and Jesselton and Kudat were extended

to a 24-hour basis towards the end of the year.

A single channel VHF circuit was tested between Jesselton and Tawau during June and in December a multi-channel VHF radio telephone system was installed between these two centres

through the VHF repeater station at Kambarangan.

Battery-operated VHF radio telephone equipment was installed to provide access to the nearest automatic exchange for a number of estates in the Darvel Bay and Tawau areas. Similar equipment was installed at Mempakul and Sipitang affording these two coastal districts direct access to the Labuan automatic exchange.

The first direct VHF radio telephone trunk circuit between North Borneo and Sarawak was established early in 1958 and this circuit, a single channel system linking Labuan to Limbang in Sarawak is expected to be duplicated in 1959. The experimental VHF circuit between Miri in Sarawak and Labuan was removed about the middle of the year.

A second VHF trunk circuit was opened between Brunei and Labuan and the hours of operation extended on both circuits.

Telecommunications

Construction and development work at the VHF repeater station at Kambarangan on Mt. Kinabalu progressed at a rapid pace and the full complement of VHF aerials, which will be used for the present stage of development, were mounted on the two

135-foot lattice masts already erected.

Three twin cylinder aircooled diesel alternator sets of 6 Kw. rated output at 7,000 feet were installed, tested, and put into service at this station, providing an adequate 230 volt 50 cycle mains supply for the VHF repeater equipment presently operating as well as that scheduled to be installed in the near future. The engine sets were perforce broken down to the last nut and bolt, so that they could be packed in bundles suitable for carrying by porters over the very difficult mountain path to this station, from the jeep road which now links Tamparuli and Ranau.

This path rises 3,000 feet from the road to the station and is in places most precipitous. The work of the porters in transporting all the materials for the station buildings together with

the aerial masts, engines and equipment has been an outstanding effort of sustained endurance in all kinds of weather, and the Department is deeply appreciative of the great loyalty and devotion of these men and women who have been mainly instrumental in making this venture the great success that it is today.

At Tawau a 114-foot self-supported tower was erected adjacent to the telephone exchange. This carried the VHF aerials used on the radio telephone trunk circuits, as well as the VHF radio telephone subscriber equipment which provides a service to nearby estates.

In Jesselton a new VHF station within a short distance of the telephone exchange was established and it is expected that the self-supported tower and the main building will be completed early in 1959. A temporary building and a short lattice mast are being utilised at present to operate the services from Jesselton via Kambarangan to Labuan, Sandakan and Tawau.

Internal Telegraphs

All internal telegraph circuits, with the exception of the Jesselton/Beaufort link which is line operated, are wireless telegraph circuits and are operated and maintained by the Posts and Telegraphs Department, between the main centres of Jesselton, Sandakan, Tawau and Labuan to connect with Kudat, Tenom, Ranau, Keningau, Lahad Datu, Semporna and Lamag,

External Telegraphs

The Posts and Telegraphs Department operates external services from Jesselton to Kuching and Brunei, and from Labuan to Limbang and Miri in Sarawak, and Seria and Brunei Town in the State of Brunei.

Other than Meteorological and air service traffic and a medium wave Ship/Shore service operated by the Posts and Telegraphs stations at Labuan, Sandakan and Jesselton at scheduled times, all overseas traffic is handled by Messrs. Cable and Wireless Limited from the Jesselton station.

Other Services

The Posts and Telegraphs Department continues to be responsible for the operation and maintenance of the Radio Sabah broadcast transmitters and their associated aerial systems at the Kepayan transmitter station.

The broadcasting time of the medium frequency transmitter now covers an early morning transmission.

The Civil Aviation, Police and Public Works Department's radio and communications equipment is maintained and serviced by the Posts and Telegraphs Department.

Chapter 12: Broadcasting and Information

THE work of the Department falls administratively into four closely-integrated sections:

The Broadcasting Service.

The Press and Publication Section.

Public Libraries and Reading Rooms.

The Film and Photographic Section.

The programme staff of the Broadcasting Service consisted during the year of nine Programme Assistants covering four

languages, supplemented by non-established personnel.

The period of secondment of the Studio Manager from the New Zealand Broadcasting Service under the Colombo Plan ended at the beginning of the year. The staff was, however, considerably strengthened by the appointment of a programme officer seconded from the British Broadcasting Corporation who joined the Service in March as Head of Programmes.

There was an establishment of five Broadcasting Technicians responsible for the installation, operation and maintenance of equipment in the studios.

A training programme for both Programme Assistants and technical personnel was drawn up during the year. A senior Programme Assistant undertook a two-month instructional course at the B.B.C. in London, combined with a British Council Visitorship and a course of speech training. Arrangements were also completed for technical staff and other programme staff to undergo periods of training under the Colombo Plan with the Canadian Broadcasting Corporation.

In the Press Section, a locally-born Press Officer was appointed in place of the former officer who had resigned to take up the Editorship of an English newspaper in an adjoining territory. The Press Officer is supported by two translators, one Chinese and one Malay.

Part-time Library Assistants have been in charge of libraries in Jesselton, Sandakan, Tawau, Labuan and Papar, with a Central Librarian in Jesselton, co-ordinating activities throughout the Colony and organising library services for the smaller outstations.

The Film and Photographic Section was heavily engaged throughout the year. Although there is no post of photographer on the establishment, the Film Librarian is a trained photographer, and as the limited service that he was able to provide became more widely known, there has been an ever-increasing demand for photographic work to be undertaken by the Department. His

main work has been still photography, but 16mm. movie films of events of historical interest have been made for record purposes.

Mobile cinema units staffed by one full-time projectionist, assisted by part-time operators, maintained circuits in the Jesselton area, and in Sandakan and Tawau.

The administration of these services has been assisted by two General Clerical Service clerks, one of whom is almost wholly engaged in accounting work, and by two Clerical Assistants.

The extension of the office accommodation in the Information Section in 1957 greatly assisted the work of the Department during the year under review. The Film Library is air-conditioned as well as the Dark Room, for which full equipment was purchased. Cramped conditions, however, have been very marked at Radio Sabah, where increasing use made of the studios now makes the provision of a new Broadcasting House, for which funds are being provided under a Colonial Development and Welfare Scheme, an urgent necessity.

Throughout the year close liaison was maintained with Radio Sarawak and the Information Office of that territory. The Senior Broadcasting Technician at Radio Sabah visited Radio Sarawak during the year to observe the technical installations of new studio extensions. The continuing interest and advice of Radio Sarawak in the planning of Radio Sabah's new studios and the offer of technical assistance in designing and equipping the studios when they are built, is gratefully acknowledged.

There was also close co-operation between the Director of Broadcasting and Information Services and the British Council's representative in Sarawak, the State Information Officer, Brunei, and the Public Relations Officer of the Shell Oil Companies in Brunei. Several meetings between them took place, including a visit to the oilfields by the Acting Director with North Borneo press representatives.

Broadcasting

During the year Radio Sabah continued to cater for the interests of the multi-lingual audience in North Borneo, with transmissions on short-wave and on medium-wave for the Jesselton area, at lunchtime and for four hours each evening. A morning transmission on medium-wave only was tried in February and its popularity led to an early morning music programme, divided between the four-language services, becoming a regular daily feature. In the latter part of the year there were increasing complaints about the quality of the short-wave reception in the evening, and a colony-wide inquiry into reception conditions took place in December. The information received from hundreds of

listeners throughout the country was passed on to the Posts and Telegraphs Department, who are concerned with the transmission of the programmes.

The acquisition of some much-needed new recording equipment proved of considerable value in raising the standards of programmes. A drastic re-arrangement of the limited space available in the existing studios made it possible to instal a new recording room, which has enabled the staff to cope with the ever increasing work involved in the running of a radio station. A midget battery operated tape-recorder was bought, and a further two ordered, to replace the previous model and this has enabled much more advantage to be taken of the great mass of programme material available throughout North Borneo. Radio Sabah was present at most big Tamus and Festivals throughout the year,

recording the sounds and interviewing the people.

The Commonwealth Parliamentary Association Conference held in Jesselton in September was the occasion for a large-scale outside broadcast from the Community Centre, and the entire proceedings at the opening session were broadcast direct from the hall. Special Feature programmes on the Conference were sent to the broadcasting organisations in the delegates' home countries. The outside broadcast line to the Community Centre has been rented permanently, and has been of great use for making direct broadcasts from concerts at the Centre and from the Electrical Exhibition held there. With the co-operation of the Posts and Telegraphs Department arrangements were made during the year for extending Radio Sabah's scope by making it possible to establish direct communication between the studios and all the main towns of the country. This system was successfully used in gathering material for programmes at the end of the year, while the tragic occasion of the Memorial Service for the late Arthur Millar in Sandakan was the first time that a direct broadcast from Sandakan was made.

Radio Sabah continued to make considerable use of B.B.C. transcriptions in the English Programme, and during the Middle East crisis the number of news broadcasts was increased for in addition to the regular evening rebroadcast of the world news at 7.30 p.m., there was a relay of the news from London at 9 p.m., and of the Radio Australia news at lunchtime. The Malay Section broadcast two series of talks on B.B.C. transcriptions during the year. This section also increased the amount of local programming of a more serious character—examples being a series of profiles of famous men, and the weekly "Forum of the Air". The Chinese Section made arrangements for a regular supply of USIS programmes. These have proved very popular and at the end of the year there were three regular USIS series being broadcast. In

the field of local production the Chinese Section introduced a new weekly magazine programme, and the successful "Radio Lawyer" series. The Kadazan Section continued to add to their large stock of recordings of local music, recorded both by musical parties in the studios and by the section on their travels throughout the country. Especially popular were the "Down your way" programmes started during the year, which visit different kampongs in turn. A new venture was the production of commercial discs, made from tapes recorded in Radio Sabah. Nine 10-inch discs have been produced, each with two popular Kadazan songs or tunes, and there has been tremendous public response to the sale of these, the first Kadazan gramophone records.

The character of the programmes is indicated in the following tables:

bles:				
	Chinese	Malay	Dusun	English
News	13.6	11.1	13.4	24.6
Talks	8.2	1.1	5.4	6.3
Features and plays	12.2			
Music by local artists		1.1	74.4	
Music and Variety		~ ~ ~	,	
(Transcription and Com-				
mercial Discs)	61.9	75.6		57.2
Educational Broadcasts	4.1	2.6	2.8	2.2
Educational Dioadeasts	T. I.			2.2
	100%	100%	100%	100%
The analysis of the programme	sources	is as fo	ollows:	
The ununjois of the Page		Malay		English
B.B.C. Transcription Service		2.2		27.1
Radio Australia	7 7.1	dend • dend		27.1
Transcription and Relays	· ·	Martinganium		6.1
Radio Malaya	•			0.1
Transcriptions				1.1
Commercial Gramophone	•			1.1
75 1	61.9	75.6		44.5
	20.4	11.1	86.6	6.5
Local Broadcasts	13.6	11.1	13.4	1.7
Local News	15.0	11.1	13.4	13.0
B.B.C. News	-			15.0
	100%	100%	100%	100%
Weekly average broadcasting				
hours of each language in				
December, 1958, on which				
the above figures are		101 11	1 (1	101
based	• • •	124 11	$\frac{1}{4}$ $6\frac{1}{4}$	194

A simple form of Audience Research conducted during the year showed that the native races formed the majority of the listeners and that the Malay and English programmes were numerically the most widely heard.

The Radio Sabah Music Society sponsored a return visit by Maurice Clare, the distinguished violinist, and helped to arrange concerts for him in Sandakan and Tuaran. In September the Society held a most successful Children's Concert in the Jesselton Community Centre.

The first public announcement of the proposal for closer association between the three Borneo Territories was made by His Excellency the Governor in a broadcast over Radio Sabah on the 7th February. His Excellency broadcast to the Colony on three other occasions during the year. Many distinguished visitors gave broadcasts over Radio Sabah, including Lady Baden-Powell, Lieut.-General Sir Richard Hull, Commander-in-Chief FARELF; Mr. D. W. McNicol, the Australian High Commissioner; Mr. R. H. Wade, Head of the Colombo Plan Bureau.

Press Section

The Press Section continued to supply official news and background information to the local press and to the presses in Brunei and Sarawak. A substantial amount of publicity for North Borneo was also achieved in the Singapore press and in the United Kingdom press. A total of 2,088 press releases publicising Government activities and policies, apart from those received from London Press Service, dealing with United Kingdom and Commonwealth affairs, were issued by the Section during the year.

The Press Section also acted as newsroom for Radio Sabah, and in order to establish an up-to-date local news service full use was made of outstation correspondents who reported local items. News bulletins were broadcast five days a week in English, Chinese, Malay and Kadazan, and copies of news bulletins were passed to the local press.

The Publications Section of the Department continued to progress. "Anak Sabah" a monthly newspaper in English designed to cater for the specialised needs of adolescents, particularly schoolchildren, entered its third year of publication. The paper aims at helping young people to improve their English, to take an interest in the country and in other people around them, and to express themselves in writing. The demand for and the interest in the paper remained as keen as ever, and the audited circulation figures still showed an average of some 2,000 copies an issue having been sold. The Publications Section also published "Radio Sabah Calling", a magazine which includes the programme details of Radio Sabah in English, Chinese, Malay and Dusun (Kadazan)

as well as notes, feature articles, illustrations and correspondence. It completed its second year of publication in 1958, and in spite of distribution difficulties which brought about a slight decrease in circulation, the audited sales figures showed a circulation of 2,800 copies per issue for the first six months of the year.

There have been no new developments in the Colony's local press. "The North Borneo News and Sabah Times" continued to be the only English daily newspaper and included news and correspondence in Romanised Malay and Dusun. Linotype machines are now employed in setting up the paper and this has improved its appearance.

"The Borneo Bulletin", a weekly newspaper in English published in Brunei, also circulated in the Colony.

The Chinese newspapers, "Api Siang Pau" (Jesselton Commercial Press) and "Hua Chiau Jit Pau" (Overseas Chinese Daily News) maintained their standards and circulation. "The Borneo Times", a Chinese daily paper published in Sandakan, catered particularly for the East Coast.

Library and Reading Rooms

The Public Libraries and Reading Rooms in the Colony continue to grow in popularity and it is becoming difficult to provide an adequacy of books for the increasing number of readers. The demand for books grows annually, especially amongst the younger readers from all parts of the Colony. This is an inevitable consequence of the more widespread teaching of English which has given rise to a desire to read English books. The British Council, however, has recently presented a very fine collection of books, which has been of considerable help in stocking the libraries, and is acknowledged with grateful thanks. Sandakan Town Board provided funds for extra books for Sandakan Library.

A most generous gift of a collection of 350 American books was made by the Carnegie Corporation and was received during the year. A further gift of Australian books was also made by the Australian Government under the Colombo Plan. Both these gifts are gratefully acknowledged.

The plans for enlarging and reconditioning the Jesselton Library were carried out, and the library has been completely reorganised. All the books are now displayed on brightly coloured shelves with open access, including most of the Reference Section, and this enables the public to enjoy the library to a much fuller extent. A new system has also been adopted for the issuing of books, and it is the intention that the outstation libraries will be brought into the same system in the near future.

The outstation libraries at Labuan, Tawau and Papar were provided with books from the Central Library in Jesselton. The book-box service to other small outstations still continue in operation. The Central Librarian is responsible for the work of forwarding and exchanging books between libraries. A professionally trained librarian will be appointed to this post when the student to whom the British Council awarded a scholarship in 1957 has completed her studies in the United Kingdom and returns to North Borneo early in 1960.

Film and Photographic Section

New cinemas built in permanent materials and with modern equipment were opened in Tawau, and one in Sandakan was completed and opened at the beginning of 1959. Construction also commenced on an additional modern luxury cinema for Jesselton. There were seventeen cinemas in operation in North Borneo during the year and six travelling projectors serving the smaller towns, rubber estates and timber camps.

Copies of British newsreels continued to be received weekly by air from the Central Office of Information in London and were circulated to cinemas and travelling projector circuits. These newsreels continued to be very popular and a demand for their screening by rubber estates and timber camps in remote areas exists long after the newsreels cease to be topical.

The Department, through the assistance of the District Administration in Sandakan and Tawau, continued to operate mobile cinema circuits in and around the two towns during the year.

The mobile cinema unit serving the Jesselton area maintains its regular circuit and is also in great demand for occasional shows. The unit screened films on 251 occasions to an estimated total of some 74,000 people. Shows were screened in the open air whenever possible but schools and missions were particularly co-operative in permitting the use of their halls for this purpose and in welcoming any member of the public to such performances. A copy of the film of the Cambridge University Expedition to the Trus Madi area in the Interior was received and was particularly enjoyed by the local people of Keningau and Tambunan areas when it was screened there at the close of the year. Progress towards the establishment of the Department's own film unit has been slow owing to lack of staff. Films of historic occasions have, however, been taken for record purposes, and copies of magazine film newsreels made by a local film producer have been added to the Film Library during the year.

The services and the facilities provided by the dark room have been much in demand by Government Departments and the need for a full-time photographer has been keenly felt.

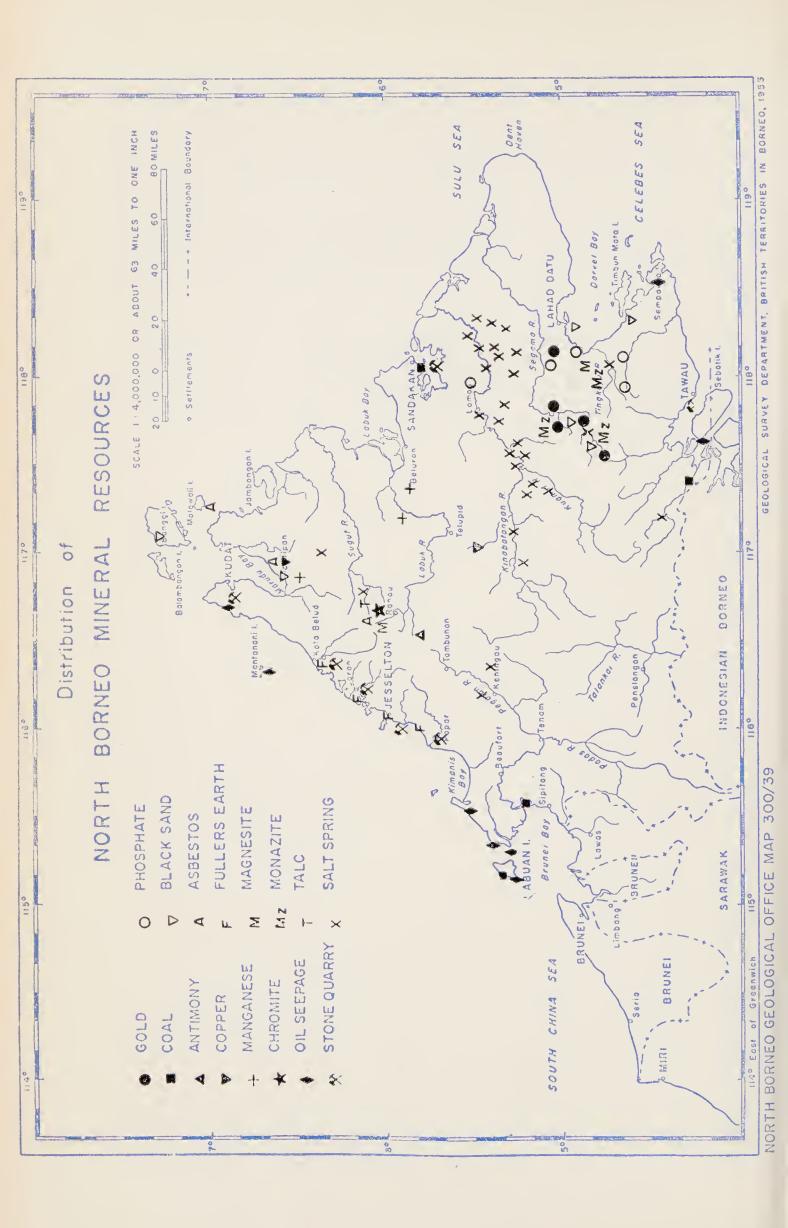
Visits and Exhibitions

In addition to the distinguished persons who broadcast from Radio Sabah, there were a number of visitors to the Information Office, including journalists representing well-known British and American papers, and representatives of neighbouring information offices.

A film unit from the Cathay Film Service, sponsored by the Commissioner-General's Office in Singapore, visited the Colony in October and gathered material for a film in the series, "Asia Today".

An Exhibition of Eric Hosking Bird Photographs was held at the Information Office during September and evoked much interest. An Exhibition of books published by the Oxford University Press was also held in September and was very well attended.





Chapter 13: Geology

HISTORY OF EXPLORATION

The geology of North Borneo has been the subject of investigation for very many years but only recently has a comprehensive picture of the country as a whole begun to unfold. The first reliable geological data was collected by Frank Hatton (1885) and later by R. Pilz (1909-1911), but much of our present knowledge is due to exploration carried out by various oil companies.

A systematic geological survey was started by the British Borneo Petroleum Syndicate Limited in 1908 and was continued, from 1913 to 1915, by the Netherlands Colonial Petroleum Company (N. K. P. M.) but unfortunately yielded no economic results. Between the wars, sporadic investigations were carried out by individual geologists and there were some abortive attempts at drilling for oil. From 1935 until 1939 the Royal Dutch Shell Group continued the work of regional exploration, and their maps and reports have formed a sound foundation for later work. After the second world war the Shell Oil Company arranged with Professor Reinhard and Dr Wenk, both of whom had explored North Borneo in the past, to prepare an account of the findings of earlier workers. On completion, this work was generously offered to the Government of North Borneo and was published in 1951 as Bulletin No. 1 of the Geological Survey. It remains the standard work on the geology of the Colony of North Borneo.

The Geological Survey, since it was started in 1949, has concentrated on the igneous rocks, as it is with these that economic mineral deposits are most likely to be found. The object of making an assessment of the mineral resources has been actively pursued and to date, five geological memoirs covering half the area of the Colony have been completed. Regional surveys are in progress over a large proportion of the remainder of the country and it is only in the Dent Peninsula, the Padas Valley, and Labuan that geological work has yet to be started. These areas, however, have recently been covered by teams from the Shell Company of North Borneo Limited. The latter has continued to lend valuable assistance to the Geological Survey, particularly in the field of palaeontology, and their co-operation is greatly appreciated.

Geology

In the west, the folded sandstone mountains of the Crocker Range rise steeply above a narrow coastal plain and culminate in the massive granite peak of Mount Kinabalu, which reaches a height of 13,455 feet above sea level. To the north, another igneous mass builds Mount Tambuyukon, 8,450 feet, while in the south hardened sedimentary rocks form the 8,000-foot Mount Trusmadi. Most of the rivers flow swiftly from the mountains to the sea, but in the south the Padas River has cut a spectacular gorge through the Crocker Range and, being joined by the Pegalan, drains the interior plains of Keningau and Tambunan. As it leaves the mountains, the Padas River splits up into several tributaries which meander across a wide alluvial plain and reach the sea in Kimanis Bay and Padas Bay.

In the east, there are no well-defined mountain formations comparable with the Crocker Range but the hinterland is rugged, the hills reaching an average summit level of between 3,000 and 4,000 feet. The more mountainous country tends to coincide with two main igneous masses. One of these, on the Labuk River, occurs near the geographical centre of North Borneo and the other, on the Segama River, forms the hinterland of Darvel Bay. The eastern portion of the Colony is traversed by three major rivers, the Sugut, Labuk, and Kinabatangan, which rise on Mounts Kinabalu and Trusmadi. In their lower reaches, these rivers meander across a wide peneplain and finally flow through extensive mangrove swamps before reaching the sea.

North Borneo is a comparatively young country and, compared with the vastness of geological time, its known geological history of fifty to sixty million years duration is short; yet this history has been so complex that the geologist has difficulty in piecing together the sequence of past events. A summary of the probable geological history of North Borneo in tabular form is shown on

the accompanying figure.

The oldest rocks of North Borneo are Upper Cretaceous to Eocene in age. These rocks are known as the Chert-Spilite Formation which comprises grey and red sandstone, siltstone, grey and red shale, limestone, marl, chert, spilite, basalt, green tuff and agglomerate. Most of these sediments were laid down offshore on the unstable floor of a developing geosyncline or marine trough. The formation is characterized by submarine volcanic activity; spilitic pillow lavas were erupted and accumulated on the sea bed, but some of the volcanoes formed islands and their ashes and agglomerates were deposited in the surrounding seas. In Lower Eocene times, there was a shallowing of the sea, more particularly in eastern North Borneo, and the red sandstones and shales of the Kulapis Formation were deposited, probably in inland seas surrounded by desert land. During approximately the same period, shales and sandstones of the Trusmadi Formation were being laid down in western North Borneo.

The Trusmadi Formation passes into the succeeding sandstones of the Crocker Formation without apparent stratigraphical break,

North Borneo Production of Stone and Building Materials

			•		0		
		18	1956	51	1957	19	1958
Material	Unit	Production	Estimated Value (Malayan dollars)	Production	Estimated Value (Malayan dollars)	Production	Estimated Value (Malayan dollars)
	cubic yards	149,249	1,365,812	147,376	1,160,857	140,773	1,013,417
	6	22,104	60,473	36,141	130,233	27,131	110,656
Bricks, clay	pieces	1,862,201	182,992	2,409,000	250,780	3,559,305	412,965
Bricks, concrete	6	504,000	26,600	113,708	11,581	45,860	4,586
Hollow concrete blocks		20,800	27,040	20,502	18,802	23,616	21,293
Miscellaneous building materials					11,875	,	24,363
Total		1	1,662,917		1,584,128	1	1,587,280

whereas above the Chert-Spilite Formation there is a marked unconformity. The Crocker Formation is essentially an extremely thick series of sandstones, grits, and conglomerates, with subordinate shales, ranging in age from the Lower Eocene until possibly the Lower Miocene. Intercalated coaly sandstones and shales with fossil plant remains are also present, particularly towards the top of the succession. The formation is an inshore and foredeep deposit, the sediment having been derived by rapid erosion of a newly uplifted landmass. Portions of this land area may have lain off the north coast of Borneo, where the sandstones of the Crocker Range thin out and are replaced by a shallow water facies of coral limestone and coral sands.

During the Miocene, the Crocker Formation was strongly folded, and there was a period of erosion before the Upper Miocene deposits were laid down. Deposition during the Upper Miocene was more restricted, and rocks of this age are found today in widely separated areas. In the north and in the east of North Borneo, these sediments have been termed the Bongaya Formation. The Bongaya Formation was formed under conditions which differed little from those prevailing during Eocene times. Loosely cemented sandstone is the most common rock type, but thin coal seams and lignitic layers occur frequently; oil indications are associated with this formation. In central and southeastern North Borneo, conglomerate is present at the base of the Upper Miocene rocks, and the succession includes clay, shale, limestone, and sandstone as well as carbonaceous layers.

Moderate folding or downwarping of the Bongaya Formation has taken place since Miocene times. Later submergence of the coastal areas is indicated by the presence of the Plio-Pleistocene Timohing Formation of marl, coral limestone, and sand which occur on Balambangan Island. More recently, during the Quaternary Era, there have been marked changes in sea level. The latest change took place at the end of the Ice Age when the melting of vast volumes of ice resulted in a gradual rise in sea level by about 300 feet; thus the mouths and deltas of rivers round our coasts became submerged, and mangrove swamps were extensively developed.

The volcanic rocks of North Borneo include, in addition to those associated with the Chert-Spilite Formation, andesitic tuffs interbedded with Miocene sediments, and lavas of Quaternary age which occur in the southeastern part of the Colony. There, the volcanic rocks range from basic to acid in composition, and youthful topographical features such as partly dissected volcanoes, plateaux, and valley infillings present a fascinating study in geomorphology.

Intrusive igneous rocks vary in composition from ultrabasic through intermediate types to acid rocks. The ultrabasic rocks are





partly sheared bodies of serpentine within the Chert-Spilite Formation, but relatively unaltered dunite peridotite, and pyroxenite also occur. Some of the ultrabasic intrusions were apparently emplaced at a later date, possibly during the Oligocene; these are found in central North Borneo where they form Mounts Tavai and Meliau. Basic plutonic rocks are relatively uncommon, but a layered basic and ultrabasic intrusion forms islands in Darvel Bay. The intermediate rocks are mainly of dioritic composition and are usually associated with the earlier period of ultrabasic intrusion; they are particularly well exposed in the headwaters of the Segama River. The acid rocks are principally granodioritic with minor amounts of associated granite. Their greatest and most spectacular development is on Mount Kinabalu, and they also form isolated bosses on its eastern flanks. Minor intrusions of granite occur near the centres of igneous activity in southeastern North Borneo.

Mineral Resources

During 1958 there has been increasing interest in the mineral resources of the Colony by companies and individuals from overseas. The Shell Company of North Borneo Limited has continued its exploration for oil, prospecting permits have been granted for chromite and limestone, and enquiries about the possibilities of working copper, coal, phosphate, and asbestos have been received. The distribution of mineral occurrences in North Borneo is shown in the map facing page 149.

Early in the year, His Excellency the Governor officiated at the spudding-in of the first marine bore for oil in North Borneo waters, at Hankin Shoals north of Labuan. Unfortunately the bore failed to find oil, but plans were immediately undertaken to continue prospecting by drilling at Mangalum Island, about 35 miles off the coast at Jesselton. The preliminary work of locating the site for the rig and arranging accommodation for the workers was started in October, and it is expected that drilling will commence about the middle of 1959. Oil and gas seepages near Mangalum Island have been the subject of investigation since 1914 when the Netherlands Colonial Petroleum Company first took an interest in the area. Shallow drilling was carried out in 1916 without success. No further prospecting was done until 1938 when the Royal Dutch Shell Company re-examined the area and sank a number of shallow holes. Drilling was again carried out in 1949 but was unproductive of oil; nevertheless much valuable information has accumulated from these operations, and it is hoped that the present programme of deep drilling will yield more promising results.

An exclusive prospecting licence has been granted to Naylor Benzon and Company Limited giving leave to search for chromite,

manganese, magnesite, and iron ores. The prospecting permit covers areas which are known or suspected to be built of ultrabasic rocks. These areas include Banggi and Malawali Islands, Taritipan, the headwaters of the Sugut, the lower Labuk, and the hinterland of Lahad Datu. Actual prospecting by two of the company's geologists is expected to start early in 1959. This work is the natural sequel to the regional reconnaissance mapping being carried out by this department. During the last few years the survey has been able to delimit the areas which are potentially mineral bearing and, through its publications, has drawn attention to the known mineral occurrences.

Copper ore is known at Karang and elsewhere in the neighbourhood of ultrabasic intrusions and, following upon the preliminary investigations and sampling carried out by the Geological Survey in 1957, it has been agreed to obtain the assistance of a research student from the Imperial College of Science and Technology, London. His task will be to undertake geochemical prospecting for copper ore. This method of prospecting, involving the testing of soils and stream sediments for minute traces of copper, is particularly applicable in the wet tropics where outcrops are few and far between.

Sources of limestone have been surveyed during 1958 and possible quarry sites were examined on the islands of Balambangan and Banggi. Since then, permission to quarry limestone has been granted to a Malayan firm, Dolomite Industries Limited. The stone is good quality material for road construction and would also be suitable for cement making.

Stone, coral, sand, clay, and salt are the only mineral materials being actively won in North Borneo at present; production figures for stone and building materials are given in the table on page 151.

Satisfactory quarries exist at Papar, Jesselton, on the Jesselton to Kota Belud road, and at Sandakan and Tawau; considerable amounts of stone are also being quarried on the east coast for use in roads for timber extraction. Most of the sand used in concrete and in sand-cement bricks is the so-called 'coral sand' mainly from the islands off the coast, and consists of silt and comminuted shells and coral; most of the other river and beach sands are too fine to be of much value for this purpose. Chert gravel from streams near Kudat is used for surfacing sealed roads, and the coarse quartz-pebble gravel from near the airfield at Sandakan is used for mass concrete and in surfacing minor roads. All cement used in the Colony is imported, though materials for its manufacture are available. Kiln bricks of moderate quality are made at a number of places, including two brickfields in the vicinity of Jesselton.

In addition to the mineral resources which are actually been worked or will be prospected in the near future, other possible economic deposits have been the subject of enquiry during the year. These include coal, phosphate, and asbestos. Coal was formerly worked at Silimpopon, where there are 3,000,000 tons in proved reserves and where possibly a total of 14,000,000 tons of coal remain to be extracted. The material is a high ranking subbituminous coal, is reported to be good for steaming purposes, and could be used in the production of gas. Mining operations were also carried out at Labuan, where an estimated reserve of 9,000,000 tons of coal may still exist in one seam alone. The coal is sub-bituminous and is non-coking but quite good for steaming. Phosphate, consisting of accumulations of bird and bat excrement with insect remains, underlain in places by rock phosphate, occurs in some North Borneo caves. It is estimated that nearly 12,000 tons could be extracted from the Gomantong and Madai caves but, as edible birds' nests are collected from these caves by customary right, agreement with the owners would have to be obtained before the phosphate could be worked. Asbestos, occurring in thin veins, is present in the serpentine on Malawali Island. It is possible that, if the veins occur in sufficient numbers, they could be economically worked, and a detailed examination of this deposit is intended during 1959. Short fibre asbestos, extracted by the milling of serpentine rock, is used with cement in the manufacture of asbestos board and sheeting.

Other deposits in North Borneo which are possibly of economic importance are Fullers' earth, peat, and lateritic iron ore. Fullers' earth occurs as a weathering product of shale in many parts of the country. Peat near Papar covers an area of about 2,000 acres to a depth of five or six feet, and other deposits are known to occur elsewhere. Lateritic iron ore, formed by the weathering of underlying rock, is present in a number of places and some of it has been shown to contain a small percentage of nickel.

Gold, antimony ore, black sand containing chromite, magnesite, monazite, and talc are known in North Borneo but, at present,

are thought to be of no economic importance.

Water supply problems have been investigated in Sandakan and in Kudat. In Sandakan, the search for water has occupied the attention of the department for a number of years. Successful bore holes have been sunk, and in 1958 further sites for drilling were selected. In Kudat, advice was given regarding the foundations of a proposed dam for the town water supply. The department has also been consulted by Borneo Abaca Limited regarding water supply problems on their Mostyn Estate.

Geological Survey Office

The Geological Survey Office in Jesselton is part of the combined department for the British Territories in Borneo, the establishment of which includes eight geologists; of these the Director is stationed in Kuching, Sarawak, and the Deputy Director and two geologists in Jesselton; one post of geologist which was vacant in 1957 was filled during 1958. The remainder of the staff in Jesselton consists of an office assistant, one typist,

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 the geologist; 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 expenses of the department in North Borneo before 1956 were met from the Central and Colony allocations from Colonial Development and Welfare funds. Since 1956, Colony revenues have begun to take over a share of the recurrent expenditure of the department, contributing an estimated amount of \$115,794 in 1958; capital expenditure is still met from Colonial Development and Welfare funds.

Departmental Activities

During 1958 two memoirs The Geology and Mineral Resources of the Sandakan Area by F. H. Fitch and The Geology and Mineral Resources of the Jesselton-Kinabalu Area by P. Collenette were completed. The preparation of coloured geological maps, diagrams, sketches, and tables which are reproduced in these memoirs have occupied the drawing office staff for most of the year.

Regional geological surveying was started in three new areas, the Tawau-Semporna Area, the Pensiangan-Upper Kinabatangan Area, and the Banggi Island-Sugut River Area. Topographical maps have been prepared, photogeological reconnaissances have

		Probable Stratigraphy of North Borneo	
GEOLOGICAL	TIME SCALE	WESTERN NORTH BORNEO EASTERN NORTH BORNEO GARTH MOVEMENTS	CONDITIONS of DEPOSITION
QUATERNARY	RECENT	Alluvial gravel, silt and mud	Terrestrial and river
	PLEISTOCENE	Cucustrille deposits and gravel terraces Volcanic activity in southeast	Terrestrial and Frequent changes in sea level
	PLIOCENE	Timohing formation (Balambangan I.) (Dent Peninsula) Volcanic activity in southeast Minor folding	Terrestrial, but lowlying coastal areas submerged
TERTIARY	UPPER MIOCENE MIDDLE MIOCENE LOWER MIOCENE	Major unconformity Major orogeny; intrusion of acid and ultrabasic igneous rocks Minor volcanic activity, partly	Deposition in shallow-water basins Shallow-water marine and deltaic conditions
	OLIGOCENE	Intrusion of ultrabasic, basic and intermediate rocks. Volcanic activity in central North Borneo	
	UPPER EOCENE	Facies western North Borneo	Rapid deposition in geosyncline
	LOWER EOCENE		Shallow-water conditions in the east, deposition in deep open water in the west
MESOZOIC	UPPER CRETACEOUS	The state of the s	Marginal deposition in geosyncline



been carried out, and field trips have already been made through these areas. The department is indebted to the Photogeological Section of the Directorate of Overseas Geological Surveys for preparing the topographical map and a geological interpretation of the Pensiangan-Upper Kinabatangan Area from air photographs. This has enabled a rapid start to be made on the field work.

Advisory work in connection with prospecting permits and mineral resources, and enquiries concerning road metal, limestone, and clay have occupied a considerable amount of time. During the year there has been an increasing number of enquiries from abroad from firms and individuals interested in investing capital in the country.

Future Plans

In 1959, field work will continue in the areas which have recently come under survey. In addition, mapping of a fourth area, the Dent Peninsula, will start during the year. Geochemical prospecting is expected to be undertaken by a research student working under the supervision of the department.

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 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 coast. 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 Witti 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 16

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 YEAR, 1958

JESSELTON (AIRPORT)

HEIGHT OF STATION 7 FEET AMSL.

EARTH TEMP. teet LATITUDE 5° 56'N LONG. 116° 03'E. 1001 I (nout) SUNSHINE Daily Mean BRIGHT Total Hours NUMBER OF DAYS Cale Fog Thunderheard Thunderstorm Precipitation Date MOST IN A DAY RAINFALL Amount Total Inches Date Highest Min. AIR TEMPERATURE IN DEGREES FAHRENHEIT Date ABSOLUTE EXTREMES Lowest Max. Date Lowest Min. Date Highest Max. A & A to assM muminiM MEANS OF В mumixeM

> air pressure at MSL. Mean 0800 hrs.

> > Month

	Mbs.																						
Jan.	1012.7	87.7	73.6	80.7	8.68	7	71.2	30			0.97			0.49	6	∞	_	4	1	275.90	8.90	86.9	87.1
Feb.	1011.9	87.4	73.4	80.4	89.2	20	70.2	9			75.9			0.01	4	-	1	3	1	249.35	8.91	9.88	88.5
Mar.	1011.1	88.5	73.9	81.2	91.5	29	0.69	30			8.91							5	1	279.70	9.05	9.68	89.4
Apr.	1010.8	6.68	74.9	82.4	91.3	∞	8.69	15			78.8							1 0		286.90	9.56	92.3	91.2
May	1009.8	89.1	75.8	82.5	92.0	30	74.0	26			77.6	7					7 1		1	215.25	6.94	88.1	90.2
June	1009.3	89.1	75.3	82.2	93.5	n	72.8	27			9.77							11 —	1	233.90	7.80	88.0	89.7
July	1009.7	88.5	74.0	81.3	9.06	14	71.8	Sev.			8.91								1	238 10	7.68	83.1	86.9
Aug.	1009.4	8.98	74.2	80.5	6.68	27	71.6	13			8.97						4		1	193.65	6.25	82.3	85.5
Sept.	1010.2	87.7	74.5	81.1	91.6	6	72.8	19,29	84.6 2	29,30 7	76.8	4	8.61	1.75	24 1	16		14 —	1	173.35	7.58	83.1	85.5
Oct.	1010.4	86.0	74.6	80.3	6.88	20	73.0	30				5 1				(C)	7	5		267.75	5.41	82.3	84.9
Nov.	1010.9	84.3	73.5	78.9	87.5		71.2	30				Sev. 1			30 2	cc	5	×		159.75	5.33	80.2	82.5
Dec.	1011.3	0.98	73.2	9.61	88.1	17	71.0	22	82.0	C1	74.4 2	4,26		0.89		∞	1	3		267.25	8.62	82.9	83.5
Total	1	1	1	1		1	1	1	1	1	1	10	100.28	1	- 161	1 41	103	w		1	1	1	1
Means or Extrem	1010.6	87.6	74.2	80.9	93.5	Į	0.69	1	78.0	1	78.8	1	1	4.71 -	1	1		1	1	236.74	7.47	85.6	87.1

CLIMATOLOGICAL SUMMARY YEAR, 1958

SANDAKAN (AIRPORT)

LATITUDE 5° 54'N LONG. 118° 94'E.

AMSL.	
38 FEET	
STATION	
OF	
HEIGHT	

EARTH TEMP.		1001 I
		Daily Mean (hour)
BRIGHT		ruoH latoT
YYS		Gale
NUMBER OF DAYS		Fog
ER C		Тћипаетћеата
UMB		Thunderstorm
Ž		Precipitation
TT	MOST IN A DAY	Date
RAINFALL	MOS A I	JunomA
RAI		Total Inches
		Date
Ţ		.niM tsəhgiH
RENHE	ES	Date
FAH	ABSOLUTE EXTREMES	Lowest Max.
REES	LUTE	Date
Z DEG	ABSO	Lowest Min.
AIR TEMPERATURE IN DEGREES FAHRENHEI		Date
ERAT		Highest Max.
remp.		H & A to nesM
AIR 1	3 OF	A muminiM
•	MEANS OF	A mumixeM
		Mean 0800 hrs
	t	linoM

	83.7	84.6	86.1	90.1	6.06	90.0	87.0	87.0	86.5	86.0	84.9	84.0	1		2 98	
	82.2	82.9	84.9	89.3	8.68	88.3	85.1	84.9	84.7	84.4	83.0	82.2	1		85.1	
	6.40	7.05	7.90	9.59	7.64	7.19	6.51	5.63	6.56	5.78	4.66	6.39	1	٠	6.77	
	198.45	197.55	244.80	287.55	236.75	215.55	201.70	174.45	196.85	179.20	139.90	198.10	1		205.90	
		No.		1		1	1	1		1			1			
	3	Ţ	7		9	П	1	3	2	Ţ	4	4	31			
			3												Ì	
	17	15	7	4	9	15	7	18	17	18	21	23	891		Berra de	
	∞	24	2	28	26	22	—	30	7	14	19	13	1			
	1.30	1.90	3.81	0.64	0.54	1.44	4.77	1.96	2.07	3.41	2.14	3.22	1		4.77	
	4.49	7.65	5.12	1.32	2.21	4.93	7.67	10.60	5.85	12.04	17.18	17.71	71.96		1	
	7	000	7	4,19	29	2	10	23	∞	24	17	15			1	
			9.77												79.2	
	ςΩ.	16	S	28	6	27	18	12	29	15	20	20			1	
	82.1	81.8	81.8	86.2	81.0	81.0	85.2	81.8	80.9	79.5	82.5	82.2	1		79.5	
	20	23	29	15	, 11	28	2,20	13,28	Sev.	П	23,28	10	1		1	
	71.4	70.2	8.69	71.6	72.8	71.8	71.2	8.07	71.6	71.7	71.8	70.8	1		8.69	
	28	17	31	21	Sev.	7	21	3	17	23	1,3	\vdash	1		1	
	87.0	89.1	90.2	92.0	93.5	95.7	93.5	92.8	93.8	93.0	0.88	87.2	Mark of the last o		95.7	
	80.1	79.7	80.7	81.3	82.9	82.7	81.9	80.7	81.7	81.1	79.7	79.2	Milesenge		81.0	
	74.4	73.4	74.1	73.9	74.8	74.0	73.1	72.8	73.2	73.6	73.4	73.1	Marray Ma		73.7	
	85.9	86.0	87.3	88.8	91.0	91.4	7.06	88.7	90.2	88.6	85.9	85.3	Mars to plant		88.3	
TATOS.	1013.5	1012.6	1012.2	1011.5	1010.2	1009.6	1010.0	1009.5	1010.3	1010.2	1010.7	1012.0			1011.0	es
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total	Means	Or	Extrem

CLIMATOLOGICAL SUMMARY YEAR, 1958

LABUAN (AIRPORT)

LATITUDE 5° 18'N LONG. 115° 15'E.

HEIGHT OF STATION 98 FEET AMSL.

remp.		1991 4		85.3	85.8	8.98	88.5	87.8	86.7	85.5	84.8	85.2	85.1	84.5	84.5	1	85.9	
EARTH TEMP.		1001 [84.3	84.9	86.4	0.68	86.1	85.1	84.0	83.0	84.1	83.7	82.7	83.9		8) •
HT		Daily Mean (hour)		9.05	8.53	8.52	8.81	6.83	7.85	7.91	6.15	6.29	60.9	5.07	8.45		7.46	
BRIGHT		Total Hours		280.65	239.00	264.10	264.45	211.90	235.50	245.10	190.70	188.70	188.75	152.05	261.85		226.89	
YS		Gale				1	1		1		7	3	1		1	10	1	
NUMBER OF DAYS		Fog]]	1	1	[1	1	1		1	1	1	
R OF		Thunderheard		9	7	00	6	16	11	11	10	13	15	11	2	1117	g g	
MBE		Thunderstorm		1		7	7	6	4	7	3	2	2	3	T-00-1	36		
NO		Precipitation		13	9	6	9	17	16	11	21	21	23	25	13	181		
L	ST IN DAY	Date		3		17			28		11	3 29	30	7 23	5 1		1	
VFAI.	MOST IN A DAY	JunomA		1.59	3.55	1.20	1.10	3.10	3.52	1.87	5.21	2.73	4.35	4.07	2.56		5.21	
RAINFALL		Total Inches		4.72	3.84	3.06	1.64	13.39	15.47	4.98	26.88	12.04	21.90	22.55	6.63	137.10		
1		Date		26	20	31	29	31	9	13	29	7	22	16	24,27		1	
TI.		Highest Min.		80.3	79.2	80.3	81.1	81.4	80.9	80.2	79.8	8.62	8.64	78.7	79.5]	24	•
NHU		Date		4	21	3	13	20	28	27	91	25	18	23	7		1	
AIR TEMPERATURE IN DEGREES FAHRENHE	ABSOLUTE EXTREMES	Lowest Max.		84.0	83.8	83.9	8.98	83.0	79.8	81.4	80.8	83.9	81.4	79.0	80.8	1	79.0	
EES	TE EX	Date		19	6	7	13	2,17	29	28	17	30	12,15	24	4	1	1	
DEGR	ABSOLU	Lowest Min.		75.2	75.2	74.4	73.3	73.7	72.9	71.5	72.7	72.4	73.6	71.6	73.4		71.5	
RE IN		Date		26	8,15	30	26	S	4,13	21	6	11	4	14	16	1	1	
RATU		Highest Max.		7.06	8.68	97.6	94.0	93.3	91.8	91.0	90.4	92.4	91.9	8.68	91.1		94.0	
EMPE		Mean of A & I		82.4	82.1	83.0	84.3	83.3	83.1	82.9	81.3	82.1	81.6	80.2	82.7	1	4 08	
IR TI	OF	muminiM				9.77	78.5						76.4	75.3	77.4		177	
⋖	MEANS	Maximum 8		8.98		88.4]	, , , , ,	
		air pressure at I	Mbs.	\ \				1010.9 8							1012.4 8		1011 7 8	
		Mean 0800 hrs	1	10													0.7	H
	1	dinoM		Jan.	Feb.	Mar.	Apr.	May	June	July	Aug	Sept	Oct.	Nov	Dec	Total	Mean	Extr

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 coast 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, althouh 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; 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 Executive and Legislative Councils. These Councils inaugurated in October, 1950. In recent years considerable progress has been made in the field of local Government. Town Boards have been constituted in the major towns of the Colony with unofficial majorities and with control over their own finances and local authorities, recently renamed District Councils, are playing an ever increasingly important part in the Government of rural areas.

LIST OF IMPORTANT DATES IN THE HISTORY OF NORTH BORNEO

		2011.20
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. Iris 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 Temonggong 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 began.
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 1912	• • •	First export of coal from Silimpopon mines. Legislative Council formed with seven official
1)14	• • •	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 re-established.
3/10/1955	• • •	Interior Residency re-established with head- quarters at Keningau.
1/0/1056		T 1

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 1958 are given at Appendix XV. During the year there were twenty meetings of the Executive Council and the Legislative Council met on five 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, Tawau 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. In addition, there are several sub-districts under the control of Assistant District Officers. The first local-born District Officer was appointed in 1957. With this exception all District Officers are expatriate officers, although 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 vicepresidency 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 set up for Papar District on 1st July, 1956. 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. Similar local authorities were established in Tuaran and Beaufort during 1958. The Jesselton Rural District Council, with Headquarters at Penampang, was also set up during the year. It is of special interest as it consists of the administrative district of Jesselton and Penampang but excludes the Jesselton Town Board area. It brings the smaller townships around Jesselton under a unified administration.

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 eight years. Certain amendments were enacted during 1957 to enable small townships previously administered under the provisions of the Municipal and Urban Authorities Ordinance to be constituted under the Rural Government Ordinance and permits Village Councils to administer, if necessary, a group of villages.

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. 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. With the growing importance of broadcasting amongst its activities the title of the Information Office was changed to that of the Broadcasting and Information Department in 1957. 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 1958, at Brunei. 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 tahil = $1\frac{1}{3}$ 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 Office, 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, 1956, 1957.

Annual Reports for 1948 and 1949 were priced at \$1. The remaining Reports are priced at \$2.

Departmental Annual Reports

The Revised Edition of the Laws of North Borneo. Seven volumes. Price per set \$125 (£14.11s.8d.). (Obtainable from the Government Printer, Jesselton).

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

(Inland), \$25 per annum (Overseas).

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

Customs Tariffs, 1957. Price \$1.00.

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 Tambunan 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.
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- 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. Micheal 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.

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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.

TREGONNING, K. G. Under Chartered Company Rule. North Borneo 1881—1946. University of Malaya Press, 1958.

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

Name	Language	Published F by	requency Price per copy
North Borneo News and Sabah Times Anak Sabah (Children's	Malay Kadazan	The Sabah Publishing House, Jesselton.	
· ·	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

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APPENDIX I COLONIAL DEVELOPMENT AND WELFARE GRANTS AND EXPENDITURE

DETAILS OF EXPENDITURE	Amount in Scheme	Actual Expenditure up to 1957	Revised Estimates 1958
	\$	\$	\$
CENTRAL ALLOCATION			
R. 710 — Appointment of Plant			
Pathologist to investigate diseases of Manila Hemp	169,871	45,523	71,862
R. 711 — Appointment of Soil Scientist	65,098	36,802	21,202
R. 751 — Appointment of Forest			
Botanist	79,755	55,971	2,855
R. 837 — Entomological Research in Manila Hemp	37,657	2,663	15,146
R. 904 — Appointment of Forest	,	,	ŕ
Botanist	55,145		8,528
D. 1501Aeronautical Telecom- munications	630,000	628,937	800
D. 1835 — Broadcasting	214,287	211,071	3,216
D. 2683 — Purchase of British	,	ŕ	
Broadcasting Corporation Transcriptions	4,286	2,495	1,791
D. 3227 — Purchase of British			
Broadcasting Corporation Transcriptions	4,286	popularia accordi	1,500
D. 3458 — Development of Broad-	,		
casting Service	310,713		
NORTH BORNEO ALLOCATION			
D. 1158 & D. 1158A — Road Con-	2 069 050	2 007 642	22,213
struction	3,068,050 1,026,450	3,007,642 992,842	33,608
D. 1158B — Road Construction	1,020,430)) hu 90 Th	33,000
D. 1988, D. 1988A & D. 1988B — Construction of Jesselton Hos-			
pital and Staff Accommodation	2,439,694	2,181,662	241,247
D. 2102 — Drainage and Irrigation,	CEO 000	627.017	12.083
Tuaran	650,000	637,917	12,083
D. 2198 & D. 2198A — Mechanization of Trade Statistics	159,069	77,383	81,686
D. 2209 & D. 2209A — Reclamation North of Jesselton Wharf	417,000	404,073	12,927
D. 2305 & D. 2305A — Improve-			
ment of Public Works Depart- ment Workshops	530,000	375,945	103,779

APPENDIX I—(cont.)

DETAILS OF EXPENDITURE	Amount in Scheme	Actual Expenditure up to 1957	Revised Estimates 1958
North Borneo Allocation—(cont.)	\$	\$	\$
D. 2352 & D. 2352A — Malaria Control Project	665,866	178,514	273,962
D. 2634 — Construction of Tuber- culosis Wards at Jesselton	497,142	401,41′	95,725
D. 2670 — Government Secondary School (Technical)	1,357,491	161,171	537,796
D. 2674 — Construction of Government Primary Schools (Stage I)	622,125	338,959	267,110
D. 2733 & D. 2733A — Construction of Town Roads and Drainage (Stage I)	2,263,050	2,080,529	182,521
D. 2733B — Construction of Town Roads and Drainage (Stage II)	1,500,000	41,851	781,500
D. 2870 — Road Construction and Improvements	4,653,900	2,038,112	1,681,468
D. 2879 — Rebuilding and Extension of Tenom Hospital	288,437	63,205	162,000
D. 2938 — Construction of Tuber- culosis Wards at Sandakan	373,500	28,938	234,000
D. 2991 — Extension of Kent College	570,602	117,220	419,182
D. 3074 — Singapore-Labuan Aeronautical Fixed Telecommunications Network	95 142		26,000
D. 3254 — Government Chinese	85,142		36,000
Primary School, Sandakan D. 3306 — Scholarships for Chi-	666,750	-	15,000
nese Teachers D. 3458 — Development of Broad-	59,500		7,905
casting Service	32,143		
D 3476 — Construction of Government Primary Schools (Stage III)	240,000		30,000
Total	23,737,009	14,110,842	5,358,612

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
At 31st Dec., 1957	5,076	6,586	13,635	1,920	27,217
At 31st Dec., 1958	5,273	6,952	13.715	2,140	28,080
Percentage of total at:					
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
31st Dec., 1957	18.70	24.10	50.10	7.10	100
31st Dec., 1958	18.78	24.76	48.84	7.62	100

B—DISTRIBUTION OF LABOUR BY OCCUPATIONAL GROUPS

Occupational Groups			N	O. OF WOR	KERS AT 31-	12-58	
Type of Employment		Places of Employ- ment	Chinese	Indo- nesians	Natives	Others	Total
Estates	* * *	69	1,068	4,584	6,352	759	12,763
Industry and Commerce	• • •	143	3,611	1,866	4,897	1,256	11,630
Government	• • •	82	594	502	2,466	125	3,687
Тота	L	294	5,273	6,952	13,715	2,140	28,080

APPENDIX II—(cont.)

C—ESTATE WORK—NUMBER OF WORKERS AT 31.12.58

Type of Estate		Places of Employ- ment	Chinese	Indo- nesians	Natives	Others	Total
Rubber	• • •	 60	716	2,982	5,873	47	9,618
Hemp		 5.	151	887	124	266	1,428
Tobacco		 1	177	457	304	431	1,369
Cocoa		 1	6	137	12	15	170
Copra		 2	18	121	39		178
	TOTAL	 69	1,068	4,584	6,352	759	12,763

D-INDUSTRIAL AND COMMERCIAL ENTERPRISES

	No. of workers at 31-12-58					
Type of Undertaking	Number o Registered Employers		Indo- nesian s	Natives	Others	Total
Timber-logging, saw-milling, firewood-cutting, etc	62	1,684	1,613	4,174	952	8,423
Wholesale trading, grading, packing, ware-housing, steve doring, transportation, etc		298	41	279	102	720
Building and other construction	32	973	73	193	6	1,245
Fishing	3	97	103	37	189	426
Miscellaneous	25	559	36	214	7	816
TOTAL	143	3,611	1,866	4,897	1,256	11,630

E-LABOUR DISPUTES, 1958

No. of Cases	No. of workers	No. of men/days lost	
5	92	1.8	•

APPENDIX III

RATES OF ESTATE DUTY

(Section 6 (1))

Where	the principal value	e of the estate		At the rate per centum of
	\$		\$	
Does not	exceed 10,000			Nil
exceeds	10,000	but does not	exceed 25,000	3
do.	25,000	do.	30,000	4
do.	30,000	do.	35,000	5
do.	35,000	do.	40,000	6
do.	, 40,000	do.	45,000	7
do.	45,000	do.	50,000	8
do.	50,000	do.	75,000	9
do.	75,000	do.	100,000	10
do.	100,000	do.	150,000	12
do.	150,000	do.	200,000	14
do.	200,000	do.	250,000	16
do.	250,000	do.	300,000	18
do.	300,000	do.	350,000	20
do.	350,000	do.	400,000	22
do.	400,000	do.	450,000	24
do.	450,000	do.	500,000	26
do.	500,000	do.	750,000	28
do.	750,000	do.	1,000,000	30
do.	1,000,000	do.	1,500,000	32
do.	1,500,000	do.	2,000,000	34
do.	2,000,000	do.	2,500,000	36
do.	2,500,000	do.	3,000,000	38
do.	3,000,000	do.	3,500,000	40
do.	3,500,000	do.	4,000,000	42
do.	4,000,000	do.	4,500,000	44
do.	4,500,000	do.	5,000,000	46
do.	5,000,000	do.	7,500,000	48
do.	7,500,000	do.	10,000,000	50
do.	10,000,000			55

Provided that—

- (i) Where the principal value of the estate exceeds \$10,000 but does not exceed \$25,000 the amount of estate duty payable shall be the amount calculated at three per cent of such principal value or the amount by which such principal value exceeds \$10,000 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		8,474	24,240	2,050	2,600	
W to the Domestic		1,255	250	7,950	8,500	
Tuaran—Tenghilan		9,847	500	5,070	2,000	
Jesselton		14,142	100	1,550	400	-
Penampang		6,364	250	5,900	400	
Papar		25,226	200	7,000	300	
		65,308	25,540	29,520	14,200	
EAST COAST						
Labuk and Sugut		156	300	909	2,851	
Sandakan		13,113	2,600			
Kinabatangan		583	500	3	1,250	
		13,852	3,400	912	4,101	
TAWAU						
Lahad Datu—Tungku		3,438	6,000			
Semporna—Tawau		14,211	8,000			4,052
		17,649	14,000			4,052
Labuan and Interior	Ł					
Keningau		2,821	35	3,410	1,500	
Tambunan		380		4,250	1,600	
Tenom		12,025	10	455	1,900	
Beaufort		24,661	500	2,710	400	
Kuala Penyu		3,714	2,515	710	300	
Sipitang		7,111	460	416	2,800	
Labuan and Mempakul		1,351	1,540	723	500	
Pensiangan		80		15	5,000	
		52,143	5,060	12,689	14,000	
COLONY TOTAL		148,952	48,000	43,121	32,301	4,052

APPENDIX V

1951 Census

TOTAL POPULATION

GENERAL LITERACY RATES PER MILLE

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

THE INDIGENOUS POPULATION

GENERAL LITERACY RATES PER MILLE

	I	MALES	1	FEMALES	PE	RSONS
	All ages	15 and over	All ages	15 and over	All ages	15 and over
East Coast Residency West Coast Residency Labuan and Interior	77 95	124 146	6 10	8 12	42 50	66 76
Residency	141	199	10	10	74	100
North Borneo	101	155	9	10	55	81

THE CHINESE POPULATION

GENERAL LITERACY RATES PER MILLE

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

APPENDIX VI

EDUCATION STATISTICS

A — ENROLMENT BY STAGES, 1946 — 1958

Year			Primary	Secondary	Total
1946			10,268		10,268
1948			15,610	242	15,852
1950	• • •	b • •	19,140	484	19,624
1952	•••		21,953	1,038	22,991
1954	• • •	* * *	24,426	1,994	26,420
1956	• • •	* * *	29,967	2,013	*31,980
1957	• • •	• • •	31,720	2,359	34,079
1958		•••	37,591	3,019	*40,610

^{*} Excluding Kent College and the Trade School.

B — Proportion of Boys to Girls 1947 — 1958

Year			Boys	Girls	Total	Merkapor Jago
					The state of the s	da-10*a388*
1947	• • •	• • •	10,579	3,473	14,052	
1949	• • •	•••	13,021	4,999	18,020	
1951	• • •		15,074	6,314	21,388	
1953	* • •	• • •	16,879	7,226	24,105	
1955	• • •		18,437	8,562	26,999	
1956	• • •		20,792	11,352	32,144	
1957		• • •	22,955	11,296	34,251	
1958	• • •		26,063	14,547	40,610	
						nation committee

APPENDIX VI—(cont.)

C — NUMBER OF SCHOOLS OPEN 1946 — 1958

Year		Govt.	Mission	Chinese	Others	Total	
1946	• • •	48	43	51	2	144	
1948		66	56	63	8	193	
1950		70	59	77	12	218	
1952	* 4 4	73	62	86	7	228	
1954		80	67	81	21	249	
1956	•••	86*	69	81	46	282	
1957	• • •	87*	70	82	49	288	
1958		90	81	88	74	333	

^{*} Includes Kent College and the Trade School.

D. — ENROLMENT ALL SCHOOLS, 1946-1958

Year		Govt.	Mission	Chinese	Others	Total	
1946		2,706	3,160	4,402		10,268	
1948	• • •	3,920	5,767	5,955	210	15,852	
1950		3,904	7,019	8,489	212	19,624	
1952		4,310	8,790	9,479	412	22,991	
1954	• • •	5,776	9,764	9,800	1.080	26,420	
1956		*6,905	10,867	12,479	1,893	32,144	
1957	• • •	*8,077	12,166	12,008	2,000	34,251	
1958		9,672	13,358	14,665	2,915	40,610	

^{*} Including Kent College and the Trade School.

APPENDIX VI—(cont.)

TABLE E-Enrolment at Primary Schools, 1958

	Govi	GOVERNMENT	Mis	Missions	CHIVESE		NATIVE VOLUNTARY & OTHER SCHOOLS	LUNTARY	Tol	TOTAL
Class	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls
Primary I	. 1,723	892	1,906	1,187	2,206	1,765	1,276	487	7,111	4,331
2	. 1,598	662	1,298	686	1,819	1,364	699	68	5,378	3,104
 	. 1,275	402	1,078	466	1,527	991	176	32	4,056	2,224
4	1,004	293	993	099	1,204	736	117	12	3,318	1,701
, , , , , , , , , , , , , , , , , , ,		210	922	582	834	635	47	7	2,484	1,434
9	. 448	119	671	381	475	347	∞	1	1,602	848
TOTAL	6,729	2,578	6,868	4,598	8,065	5,838	2,287	628	23,949	13.642

TABLE F-ENROLMENT BY CLASSES

TOTAL	Girls	7,970			
L	Boys	16,801	20,176	21,171	23,949
Y VI	Girls	635	586	623	
PRIMARY VI	Boys	1,309	1,298	1,330	1,602
PRIMARY V	Girls	873	949	296	1,434
PRIMA	Boys	2,201	2,099	2,342	2,484
PRIMARY IV	Girls	1,070	1,268	1,228	1,701
PRIM	Boys	2,188	2,779	2,643	3,318
Y III	Girls	1,304	1,697	1,733	2,224
PRIMARY III	Girls Boys	2,886	3,179	3,588	4,056
II X	Girls	3,310 1,637	2,081	2,185	5,378 3,104
PRIMARY II	Boys Girls Boys	3,310	3,914	4,298	5,378
RY I	Girls	2,451	3,210	3,813	4,331
PRIMARY I	Boys	4,907	6,887	6,970	7,1111
		:	:	:	•
	Year	1955	1956	1957	1958

APPENDIX VI — (cont.)

G — NUMBERS OF SCHOLARSHIPS AWARDED — (BY COUNTRIES)

Courses	Burma	Aust.	New Zealand	Hong Kong	Canada	U.K.	India	Total
Medical Short Course		2				2	_	4
Nursing (General)		1	******		Marketin	1		2
Nursing (Dental)	_	-	2					2
Medical (Degree)		5						5
Pharmacy (Degree)	_	1						1
Bacteriology (B. Sc.)		1						1
Veterinary (Degree)	_	1						1
Geology (Degree)	_		All production and the		1			1
Agriculture (Degree)		g	1			_		1
Civil Engineering (Degree)	_	2	minute			_	<u></u>	2
Civil Engineering (Diploma)	_	5	***		_		1 .	6
Electrical (Diploma)	_	4			_			4
Surveying (Degree)	_	4	_		_	_		4
Surveying (Diploma)		1						1
Teacher Training		3	8	15	1	9	_	36
Education (Degree)	_	7	8				_	15
Accountancy	_	2	1				_	3
Journalism		1	_	— .		_	que en esta de la constanta de	1
Mechanical Engineering (Diploma)		No.	1	_	1		1	3
Law (Degree)		1	1			1		3
Librarianship (Diploma)			serving.	gr _e -comple		1		1
Public Administrative		ing	MARKO - 10		-	1	A 100 100-100	1
Civil Aviation	·	1			_			1
Architecture (Degree)	_	2			_			2
Commerce (Degree)	_		1		2		_	3
Miscellaneous Courses	1	1	2			_	_	4
Domestic Science		1	1	_	_			2
TOTAL	1	46	26	15	5	15	2	110

APPENDIX VII MEDICAL

	de V de desemble de la Colonia		
	A INCTITUTIONS (COVERNMENT)	Number of	Number of
	A—INSTITUTIONS (GOVERNMENT)	Institutions	beds
1.	Hospitals:		
	(a) General hospitals (institutions		
	equipped to deal adequately with		
	all general medical and surgical cases)	2	422
	(b) Cottage hospitals or infirmaries	4	
	(smaller institutions equipped to		•
	handle only lighter cases, more		
	severe cases being referred to general hospital)	5	367
2.	Dispensaries (institutions for treatment	J	307
	mainly of out-patients):		
	(a) Exclusively for out-patients	18	
	(b) Having beds for lighter cases to be referred to general hospital	12	204
	be referred to general hospital		
		In General Hospital In dispensa	As separate ry unit
3.	Specialised units:	110spital III dispensa	Ty unit
٥.	(a) Maternity and Child Welfare		
	Centres		2
	(b) Tuberculosis	2 —	Management .
	(c) Venereal disease		distance of the state of the st
	(d) Leprosaria (e) Mental institutions		l 1
	(f) Others	With the second	II.
		Number of Units Tot	al Staff
A	Mobile		
4.	Mobile units:	4	8

B — MEDICAL AND HEALTH STAFF

Medical and Health staff of the Colony, including Mission doctors and private medical practitioners.

		Govern- ment	Missions	Private
Registered Physicians		16	1	36
Nursing Sisters		6	3	1
Trained Nurses		24	Pro-	1
Senior and Staff Nurses	:	20	-equinosity-risks dynalis	
Probationer Nurses		19	Spirone mak	Province and
Senior and Junior Hospital Assistants		28		-
Trained Hospital Assistants		91	*	52
Probationer Hospital Assistants		23		
Certified Village Midwives		24		
Certified Midwives		40	3	40
Health Inspector Special Grade		1		
Trained Health Inspectors		12		
Probationer Health Inspectors		2		
Kampong Midwives				64
Assistant Nurses	• • •	20		parame
Тота		326	7 .	194

APPENDIX VIII

RECORD OF WORK OF THE COURTS OF THE COLONY

A-A COMPARATIVE STATEMENT OF CASES DEALT WITH DURING 1957 AND 1958 BY THE HIGH COURT

	Cri	minal	C	ivil
High Court	1957	1958	1957	1958
1. Original Jurisdiction	63	62	97	115
2. Revisional	11	17		2
3. Appeals from Magistrates' Courts	32	44	12	7
4. Appeals to the Court of Appeal	10	10	5	3
5. Appeals from Director of Lands and				
Surveys and Assistant Collectors of				
Land Revenue				1
5. Appeals from Town Boards			1	2
7. Probate and Administration			45	29
8. Miscellaneous			38	39
	116	133	198	198

B--ORIGINAL JURISDICTION

		CRIM	IINAL				Civil	
	1	957	19	958		1957		1958
	Cases tried	Persons convicted	Cases tried	Persons convicted	No. o		No. of Suits	Value
						\$		\$
High Court Magistrates'	63	45	62	55	97	195,522.07	115	359,297.89
Courts	2,138	2,047	2,741	3,108	513	87,861.74	749	90,100.02
	2,201	2,092	2,803	3,163	610	283,383.81	864	449,397.91

APPENDIX IX

COMPARATIVE STATEMENT OF COMPANIES REGISTERED **DURING 1957 AND 1958**

	1957	1958	Total Number of Companies on the Register as at 31.12.58
Companies Incorporated outside the Colony	6	8	121
Companies Incorporated in the Colony		3	37
Companies dissolved or having ceased to carry on business in the Colony	5	3	

A-CASES UNDER THE PENAL CODE REPORTED TO AND DEALT WITH BY THE POLICE APPENDIX X
POLICE STATISTICS

1	1					
	Pending Trial			1111		
	Under Investigation					
CASES	Undetected		!	v 4 u	321 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	404
DISPOSAL OF CA	Compounded or order made without			+		
DISI	Convicted	11 0 1 8 1 1 8 1	4 4	w≈6~24.	138 37 11 1	10 10 392
	Nolle Prosequi		1111	- -		
	Acquitted or Discharged	%		- -~~		1 1 23
	Accused Dead or Insane				- - -	
	Total Accepted	11 10 10 23	-0 0	100 100 355 100 100 100 100 100 100 100 100 100 1	10 39 479 46 26 14 37	6 112 ——————————————————————————————————
	Cases Rejected	- 2	v 4	mww-	- 80-00	1 72
	Total Cases Reported	12 3 10 10 25	9 6	2011094 200004	514 514 514 516 39	13
		:::::	::::		: : : : : : : : :	:::::
					Cheating	OTAL
		· · · · · ·		death		GRAND TOTAL
	ES	Assemblies	: : : :	causing	ry f Trust, 	GRA
	O Z	>	desty)	and call	ng Robbery Breach of Property DFFENCES	
	OFFE	AUTHORITY lic Order Evidence Rescue Unlawful	e mo		Bre Pro	
	0	VFUL AUPUIC False Evand Regard Ul	(outrage modesty) l Offences	Murder Culpable homicide Attempted Murder Attempted Suicide Hurts Assaults	Robbery and Ga Extortion Housebreaking Thefts Misappropriation, Receiving Stolen Mischief by Fire Others	ing
		LAWFUL nst Publing False pe and ng and rs	Rape Assaults (c Unnatural Others	Murder Culpable h Attempted Attempted Hurts Assaults	Robbery and Extortion Housebreaking Thefts Misappropriation Receiving Stoll Mischief by Fiothers Others Research Core	Forgery Counterfeiting Others
		Against Public Order Against Public Order Giving False Evidence Escape and Rescue . Rioting and Unlawful Others	Rape Assaults Unnatural Others	Murder Culpable Attempth Attempth Hurts Assaults	AGAINST PROPERTY Robbery and Extortion Housebreaking Thefts Misappropriati Receiving Stol Mischief by Fi Others Other Penal Cod	Forgery Counter Others
	1	AG	Ø.		AG).

APPENDIX X—(cont.)

CODE
PENAL
THE
UNDER
SONS DEALT WITH BY THE COURTS FOR OFFENCES UNDER THE PENAL CODE
FOR
COURTS
THE
BY
WITH
DEALT
R-PERSONS

I	Arrested Summonsed Acquitted or Discharged Volle Prosequi On Pending Tria or Pending Tria	8 14 18 18 19 19 18 19 19 19 19 19 19 19 19 19 19 19 19 19	3 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	3 8 8 8 7 7 7 7 8 8 8 9 7 9 7 9 7 9 7 9 9 9 9	3 — — — — — — — — — — — — — — — 5 —	2 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	77 70 3 3
	OFFENCES	Against Lawful Authority Against Public Order Giving False Evidence Escape and Rescue Rioting and Unlawful Assemblies Others	AGAINST PUBLIC MORALITY Rape Assaults (outrage modesty) Unnatural Offences Others	AGAINST THE PERSON Murder Culpable homicide and causing death Attempted Murder Attempted Suicide Hurts Assaults Others	AGAINST PROPERTY Robbery Extortion Housebreaking Thefts Misappropriation, Breach of Trust, Cheating Receiving Stolen Property Mischief by Fire Others	AL CODE OFFER y rfeiting	GRAND TOTAL

APPENDIX X—(cont.)

B-PERSONS DEALT WITH BY THE COURTS FOR OFFENCES UNDER THE PENAL CODE-(cont.)

Q.	JATOT QUA	AЛО	11 22 18 25 1	\n\ 4	wv040×-	202222	10 10 448
R Bou	nile	ΙŢ		1111	- -		
NDED O	Juvenile	M	1111			28.4% 2	1 45
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		<u>.</u>	c1 w		ctro	"	(4)
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WHIPPING	Juvenile	M			111111	%	11110
W	Juv	M	11111	1111	111111	1111111	
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ONMEN	Juvenile	¥	~~~	-	0100	7 00 -	39
IMPRISONMENT		īΤ	-	1111	- - -	\sigma	111101
		N	40000	14 w	184 28	v 4440-0	192
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			::::::	::::	: :::::	 Cheating 	 Total
			S		death	Trust,	GRAND
	E S		semblis		guism	of	: : : 5
	OFFENC		RITTY r ce ful As	odesty)	and causing death	g Robbery Breach of roperty FFENCES	
	OFF		AUTHORITY c Order Evidence tescue Unlawful AORALITY	age mo	cide cide	Gang Gang Gion, E Hen Pro	
			LAWFUL AUTHORITY nst Public Order ng False Evidence pe and Rescue ing and Unlawful Assemblies rrs PUBLIC MORALITY	(outra	ed Mu	and n caking opriat g Stol by F	feiting
			Against Giving F Escape a Rioting Others	Rape Assaults (outrage modesty) Unnatural Offences Others INST THE PERSON	Murder Culpable homicide Attempted Murder Attempted Suicide Hurts Assaults Others	Robbery and Gang Robb Extortion Housebreaking Thefts Misappropriation, Breach Receiving Stolen Property Mischief by Fire Others	Forgery . Counterfeiting Others .
			Against Public Order Against Public Order Giving False Evidence Escape and Rescue Rioting and Unlawful Others Against Public Morality	Rape Assaults (outrage Unnatural Offenc Others Against the Person	OPHER ON	AGAINST FROPERTY Robbery and Gang Robb Extortion Housebreaking Thefts Misappropriation, Breach Receiving Stolen Property Mischief by Fire Others OTHER PENAL CODE OFFENCES	E 20
		J	AC AC	AC	•	ě Ö	1

APPENDIX X—(cont.)

C-CASES REPORTED AND DISPOSAL OF PERSONS FOR OFFENCES AGAINST THE LAWS OF THE COLONY OTHER THAN THE PENAL CODE

					uc			DIS	DISPOSAL)F P	ERS	ONS	CO	OF PERSONS CONVICTED	LED						
		eq		÷	l estig ati o		Тотаг	AL	12	Imprisonment	NWE	L Z	WH	WHIPPING	ט	표	Fine			Warned by Court or Bound over	ned irt nd o	l by or over
ORDINANCE	Cases ted	Reject			firit gu) r	Juvenile			Juvenile	nije		Ju	Juvenile		Juv	Juvenile	45		Ju	Juvenile
	Total Repor	Cases	Convi	Disch	Undet ibnsq nu 10	M	江	M	江	×	F	<u>T</u>	Z	N	N	Ţ	N	TT.	M	(T	M	
Road Traffic Ordinance	. 2,238	991	1,197	46	2 2	1,035	18	141	17	·	1	1		1	666	9 17	128	17	35	←	13	1
Arms and Explosives	. 26	1	24	2	1	. 25		1		13	1	-	i t	1	12	7]
Garming	. 39	I	35	3	1	182	43	13	3	16	-	1	Į t	}	161		11	1	3	42	4	c
Immigration and Passports	. 194	5	179	6	1	248	112	107	3	160	5	19	-	1	75	5 5	16	61	13	7	24	1
Minor Offences	. 529	33	487	9	1 2	389	75	35	4	4	1	-	1	1	365	5 68	29	4	20	7	S	1
Opium and Chandu	. 45	f	. 44	ľ	-	99 .	5 1		1	47	-	good .		1		6	1		10	1	Ī	1
Sedition		1					1	1		1	1	1	1		I		1					1
Undesirable Publications		•		1					-	1		1	1			1				1		-
Municipal and Urban Authorities.	∞ .	9	7	1	1			1	1	1	1	1	1			1 1						1
Others	. 213	24	156	28	5	. 154	1 37	21		48	1	13 -	1		6	94 35	9	1	12	2	2	1
GRAND TOTAL .	3,293	1,060 2,125	2,125	94	10 4	4 2,100 187	187	319	29	289	9	83			1,71	1,716 127	190	24	95	54	46	4
																1						

APPENDIX XI PRISON RETURNS

	Recapture.	1	. 1		1
	Escape.	1	1	111111111111111111111111111111111111111	
	Execution.	1	1		
	Death (excluding execution).	3	1		
	Admission to Hospital.	102		1115 1115 1115	
	Daily average (on sick list).	1.69	.21	10. 14. 15. 16. 17. 17. 18. 17.	
us	Daily average in Prison,	74.88	39.20	.63 1.32 3.75 3.50 2.24 11.25 11.25 11.82 3.34 11.60 11.60 11.60 4.88 88 88	
Previous Convictions	Thrice	,7	1	- - -	
70	Twice.	ю	1		
	ээпО	7		0 14 25 11 26 46	
	Under 1 month.	7		1-18 18 18 18 20 11	
	I month and less than 3 months.	26	28	2007 2007 2009 2009 2009 2009 2009 2009	
to of	3 months and less than 6 months.	16	70	20	
Sentence ntenced to sonment	6 months and less than 12 months.	18	17	1 28 2 2 2 2 3 1	
of sen ıprisc	12 months and less than 18 months.	5	15	1110411111 4 8 4 11	
Length those Im	18 months and over.	4	B	- - 1 E	
	For detention	1	1		
	Death sentence.		1		
	Life sentence	1	yand		5
Debts, for	For imprisonment.	72	135	609 609 609 609 609 609 609	
for and ment	For safe custody (subsequently dis- charged including lunatics).	16	133	24 1 1 1 2 2 2 2 3 3 3 3 3 3 3 3 3 3 3 3 3	
Ommittec Remand Imprison	For debts.	1	1		
No. Com on Re Im	Total number of persons committed during the year.	88	. 268	8 112 128 128 128 111 111 111 111 11001 114 114	
Z	ure	1	•		
	Name and Nature of Prison	CENTRAL PRISON:- Jesselton	son:— Sandakan	Local Lock-Ups:- Tuaran Beaufort Keningau Kota Belud Ranau Tenom Kudat Be'uran Tawau Lamag Tambunan Labuan Papar Labuan Papar Labuan Ranau Men Men Men Women Juvenile—Boys	
	Zaz	CENTR	PRISON:- Sanda	Local Lo Tuarar Beaufc Kening Kota Ranau Tenom Kudat Belura Tawau Lamag Tambu Labuar Papar Labuar Pensia	-

APPENDIX XII

PORT STATISTICS — 1957 AND 1953

						UANDIES IN TONG		÷	DACC	Sanona	
		Gros	Gross Tons	Wharf	CAKOS		Total	Emb		Disen	Disembarked
Ports		1957	1953	1957	1958	1957	305 m	1957	1958	1957	1958
Sandakan	:	1,610,143	1,959,831	120,936	135,401	496,766	567,360	808'9	7,362	9,837	9,603
Labuan	:	1,305,994	1,376,157	66,461	49,740	216,535	197.713	12,332	13,199	12,980	14,243
Tawan	:	379.677	460,125	73,191	82,259	89,309	96,286	6,723	7,981	8,760	10,676
Wallace Bay	:	446.854	528,878]	89,587	86,943]]		
Lahad Datu	:	320,173	309,210	16.197	23,365	26,511	16,662	5,322	5,750	5,430	6,579
Bohian Island	:	314,936	403,069]	63,353	89,960	1]	
Jesselton	:	555,059	716,058	83,294	100,299	84,444	100,910	8.291	8,140	10,599	10,494
Bakapit	:	368,302	375,026			44,928	57,370	969	505	583	488
*Silam Harbour	:		60,044			1	2,758]]]
Kudat	:	313,838	329,238	23,750	24,359	27,056	27,321	2,655	2,878	2,983	3,941
Semporna	•	291,825	296,415	2,834	5,076	6,484	7.871	2,175	2,083	2,390	2,353
Miscellaneous	:	11,573	12,898	875	1,090	2,271	3,522	873	955	1,039.	787
TOTAL	:	5,918,374	6,826,949	387,538	421,589	1,147,244	1,254.676	45,875	48,853	54,601	59,164
Increase	:		908,575		34,051		107,432		2,978		4,563
Decrease	:	1		1	1		1	ļ			1

*Commencing from September, 1958.

APPENDIX XIII

CIVIL AVIATION: PASSENGERS, FREIGHT AND MAIL STATISTICS, 1958

A.—MAIN AIRFIELDS

American		PASSENGERS		<u> </u>	FREIGHT (KILOS)			Mail (Kilos)	
Aincielu	Embarked	Disembarked Transit	Transit	Picked Up	Set Down	Transit	Picked Up	Set Down	Transit
Labuan	12,720 (8,667)	9,897 (8,818)	4,678 (5,029)	118,919 (85,674)	117,894 (164,678)	148,346 (168,333)	20,773 . (16,235)	21,295 (18,900)	16,861 (11,104)
Jesselton	8,278 (5,564)	8,278 (5,894)	2,182 (1,323)	54,538 (44,062)	89,957	48,786 (30,048)	16,487 (12,783)	16,390 (13,949)	15,844 (9,877)
Sandakan	4,355 (3,419)	4,540 (3,577)		22,275 (19,067)	73,629 (62,544)		9,207 (8,918)	13,624 (15,241)	1 1

NOTE:—(1) Figures in brackets are for 1957.

(2) Feeder Service statistics are excluded.

APPENDIX XIII-(cont.)

CIVIL AVIATION: PASSENGERS, FREIGHT AND MAIL STATISTICS, 1958

B.—FEEDER SERVICE

	PASS	PASSENGERS		ĬŢ.	FREIGHT (KILOS)			Mail (Kilos)	
AIRFIELD	Embarked	Disembarked	Transit	Picked Up	Set Down	Transit	Picked Up	Set Down	Transit
Labuan	2,512 (3,069)	2,355 (3,352)		39,779 (52,280)	18,357 (29,239)		10,578 (14,483)	5,716 (10,764)	1 1
Jesselton	2,755 (2,889)	2,808 (2,923)		105,522 (127,867)	71,961 (75,199)		5,292 (7,723)	2,974 (6,020)	
Sandakan	1,959 (1,599)	2,070 (1,815)	155	17.888 (17,149)	6.282 (4,292)		6,207 (7,932)	3,898 (4,177)	
Ranau	849 (866)	867 (793)		68,145 (74,168)	94,293 (124,249)		345 (310)	615 (491)	
Tawau	1,686 (1.348)	1,637 (1,168)		5,425 (6,445)	17,688 (11,309)	Representation of the second	3,112 (2,957)	6,534 (5,140)	
Kudat	601 (572)	616 (536)	42 (242)	1,065 (831)	4,723 (5,011)	340	1,057 (1,006)	1,582 (1,248)	789
Keningau	580 (680)	543 (615)	41 (48)	3,192 (4,282)	3,058 (6,930)		264 (278)	362 (370)	
Lahad Datu	1,128 (1,013)	1,082 (882)	824 (749)	2,513 (2,544)	7,562 (8,604)	may immand	1,233 (1,127)	1.819 (1,749)	

NOTE:-Figures in brackets are for 1957.

APPENDIX XIII—(cont.)

AIRCRAFT MOVEMENTS STATISTICS, 1958

AIRFIELD			FEEDER	FEEDER SERVICE	Отнек	Этнек Сіvіг	Mn	Military	To	Total
			In	Out	In	Out	In	Out	uI	Out
Labuan	•	÷	788 (966)		1,917 (1,986)	785 (966) 1,917 (1,986) 1,918 (1,986)	1	557 (719)	555 (721) 557 (719) 3,260 (3,673) 3,260 (3,671)	3,260 (3,671)
Jesselton	•	:	670 (871)	670 (870)	675 (579)	675 (581)	54 (36)	54 (36)	1,399 (1,486)	1,399 (1,487)
Sandakan		:	462 (432)	462 (431)	300 (280)	300 (280)	17 (112)	17 (112)	779 (824)	779 (823)
Kudat	•	•	217 (217)	217 (217)					217 (217)	217 (217)
Ranau	•	:	263 (367)	263 (367)					263 (367)	263 (367)
Keningan	:	:	189 (213)	189 (213)		1			189 (213)	189 (213)
Tawan	*	÷	284 (305)	284 (305)			_		285 (305)	285 (305)
Lahad Datu	•	:	356 (383)	356 (383)			CI	2	358 (383)	358 (383)
		-								

Nore: - Figures in brackets are for 1957.

APPENDIX XIII—(cont.)

CIVIL AVIATION: REVENUE FOR THE YEAR, 1958

CIVIL AVIATION. REVENUE	TOR	THE HEAR,	1730
Landing and Par	RKING FI	EES	
1. Malayan Airways Limited		\$44,853.28 (39,512.00)	
2. Borneo Airways Limited	•••	\$34,454.66 (—)	
3. Brunei Shell Petroleum Co. Limited	•••	\$17,136.64 (18,590.77)	
4. Cathay Pacific Airways Limited	•••	\$12,614.30 (10,343.62)	
5. Qantas Empire Airways Limited		\$ 4,036.80 (8,538.60)	
6. Garuda Indonesian Airways Limited		\$ 5,445.00 (7,218.08)	
7. World Wide Helicopter Limited		\$ 3,884.73 (—)	
8. Miscellaneous Airlines		\$ 4,438.00 (7,555.13)	
			\$126,863.41 (91,758.20)
Airport Terminal Buildings			
Airport Terminal Buildings including Rents and Advertising	Bars,	\$ 3,851.98 (3,856.88)	
			\$ 3,851.98 (3,856.88)
Registration of Aircraft			
Renewal of Certificate of Airworthine	ess	\$ 256.00 (247.00)	
			\$ 256.00 (247.00)

Note: - Figures in brackets are in respect of 1957.

\$130,971.39 (95,862.08)

APPENDIX XIII—(cont.)

CIVIL AVIATION: OPERATING SCHEDULES

INTERNATIONAL SERVICES

Company	Route	Frequency
Cathay Pacific Airways (DC 4 aircraft)	Hong Kong—Labuan— Kuching	Once weekly in each direction
Garuda Indonesian Airways (Convair 240/340)	Djakarta—Labuan— Manila	Once weekly in each direction

Singapore/Borneo Regional Services Malayan Airways Limited Douglas DC 3 Aircraft.

Route		Frequency
Singapore—Kuching—Sibu— Labuan—Jesselton—Sandakan	• • •	Three First Class and One Tourist Service weekly.
Singapore—Kuching—Sibu— Labuan—Jesselton	* * 4	One First Class Service weekly in each direction.
Singapore—Kuching—Sibu— Brunei—Jesselton—Sandakan	* + 1	One First Class and One Tourist Service weekly.
Sandakan—Jesselton—Labuan— Brunei—Sibu—Kuching— Singapore		Two First Class Services weekly.
Sandakan—Jesselton—Brunei— Sibu—Kuching—Singapore	* * *	One Tourist Service weekly.
Sandakan—Jesselton—Labuan— Sibu—Kuching—Singapore		Two First Class and One Tourist weekly.

BORNEO INTERNAL SERVICE

Borneo Airways Limited De Havilland Rapide and Scottish Aviation Twin Pioneer Services.

T KY LOCK TO	r r sailt wi	officer services.
Labuan—Brunei—Anduki—L	utong—	
Bintulu—Sibu		Twice weekly service in each direction.
Labuan—Brunei—Anduki		Five times weekly service South Bound. Three times weekly North Bound.
Kuching—Simmanggang—Sib		
Bintulu—Lutong—Anduki-	_	
Brunei—Labuan	* * *	Twice weekly service.

APPENDIX XIII—(cont.)

BORNEO INTERNAL SERVICE—(cont.)

Route Brunei—Labuan		Frequency Once weekly service.
Labuan—Lawas—Brunei		Once weekly service in each direction.
Labuan—Jesselton		Twice weekly service in each direction.
Labuan—Jesselton—Tawau		Once weekly service.
Labuan—Keningau—Jesselton		Once weekly service.
Jesselton—Brunei		Twice weekly service South bound. Once weekly North bound.
Jesselton—Ranau	• • •	Thrice weekly service in each direction.
Jesselton—Sandakan—Lahad Datu—Tawau	•••	Twice weekly service East bound. Once weekly West bound.
JesseltonKudat		Once weekly service in each direction.
Jesselton—Kudat—Sandakan		Once weekly service.
Sandakan—Lahad Datu	• • •	Once weekly service in each direction.
Sandakan—Lahad Datu –Tawau		Once weekly service in each direction.
Tawau—Sandakan—Jesselton		Once weekly service.
Tawau—Jesselton		Once weekly service.
Sandakan—Kudat—Jesselton— Keningau—Labuan		Once weekly service.
Jesselton—Keningau	• • •	Once weekly service in each direction.

APPENDIX XIV ELECTRICITY BOARD TARIFFS DURING 1958

Description	Calculation Basis	Over 1,000 kw.	501-i,000 kw.	Below 500 kw.
A. Flat rate Lighting and Fans	Per Unit Minimum charge	35 cents \$6.00	40 cents \$6.00	50 cents \$7.50
B. Commercial Power and Heating	Per Unit Minimum charge	20 cents \$10.00	20 cents \$16.00	20 cents \$10.00
C. Lighting and Power combined for Hotels, Clubs, Schools, Cinemas and similar institutions	Per 100 square feet of floor area—plus per unit	\$1.75 10 cents	\$1.75 15 cents	\$1.75 20 cents
D. Industrial power and light	Per Unit 1st 2,000 kw Next 3,000 kw Balance Minimum charge	20 cents 12 cents 10 cents \$2,000.00	20 cents 12 cents 11 cents \$2,600.00	20 cents 12 cents 12 cents \$2,000.00
E. All-in domestic tariff for dwell-ing houses, flats, residential portion of shophouses, if separately metered	Per Unit 1st 35 Remainder Minimum charge	35 cents 10 cents \$6.00	40 cents 15 cents \$5.00	50 cents 20 cents \$7.50
F. Shophouses where the shop and residential portion are on one meter	Per Unit 1st 60 Remainder Minimum charge	35 cents 10 cents 512.00	40 cents 15 cents 312.00	56 cents 20 cents \$15.00
G. Air-conditioning where separately metered	Per Unit Minimum charge	10 cents \$10.00	15 cents \$10.00	20 cents \$10.00

APPENDIX XV

MEMBERS OF EXECUTIVE COUNCIL AS AT END OF 1958

His Excellency the Governor (SIR ROLAND EVELYN TURNBULL, K.C.M.G.)
*The Honourable the Acting Chief Secretary (Mr. G. L. Gray, C.M.G.,

O.B.E.)

- ,, the Attorney-General (Mr. C. E. Purchase, Q.C.)
- ,, the Acting Financial Secretary (Mr. A. R. WILKEY,

M.B.E., T.D.)

- , , , MR. E. J. K. WICKSTEED (Acting Secretary for Local Government)
- ,, MR. J. S. CHISHOLM (Resident, West Coast)
- ,, MR. J. MITCHELL, C.B.E.
- ", O.K.K. DATU MUSTAPHA BIN DATU HARUN, O.B.E.
- ,, Mr. M. F. L. HAYMES
- " MR. KHOO SIAK CHIEW

MEMBERS OF THE LEGISLATIVE COUNCIL AS AT THE END OF 1958

His Excellency the Governor (SIR ROLAND EVELYN TURNBULL, K.C.M.G.)

President.

*The Honourable the Acting Chief Secretary (Mr. G. L. GRAY. C.M.G.,

O.B.E.)

- ,, the Attorney-General (Mr. C. E. Purchase, Q.C.)
- ., , the Acting Financial Secretary (Mr. A. R. WILKEY,

M.B.E., T.D

- ... MR. J. S. CHISHOLM (Resident, West Coast)
- ., , MR. E. J. K. WICKSTEED (Acting Secretary for Local Government)

MR. W. K. C. WOOKEY (Resident, Sandakan)

- ... DR. L. J. CLAPHAM (Director of Medical Services)
- ... MR. J. B. ATKINSON (Commissioner of Police)
- .. , O.K.K. Mohamed Yassin bin Haji Hashim, O.B.E.

(Assistant District Officer, Sipitang)

- ... MR. L. JACKSON (Director of Public Works)
- .. ,. Mr. E. J. H. BERWICK (Director of Agriculture)
- ... MR. G. S. SUNDANG, M.B.E. (Assistant District Officer,

Keningau)

- .. MR. PHILIP LEE TAU SANG, C.B.E.
- MR. J. MITCHELL, C.B.E.
- .. O.K.K. DATU MUSTAPHA BIN DATU HARUN, O.B.E.
- Mr. Khoo Siak Chiew
- ,, MR. D. A. STEPHENS
- .. ,. Mr. M. F. L. Haymes
- .. Mr. Chiew Vui Kiet
- .. ENCHE FADZIL BIN ASMAD
- ., Mr. D. P. WILLIAMS
- ., O.K.K. ZAINAL BIN KERAHU.

^{*} In the absence on leave of the substantive Chief Secretary, Mr. R. N. Turner, C.M.G., Mr. G. L. Gray, C.M.G., O.B.E (Secretary for Local Government) was acting as Chief Secretary at the close of the year.

