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INFORMATION FROM NON-SELF-GOVERNING TERRITORIES: SUMMARIES OF INFORMATION  
 TRANSMITTED UNDER ARTICLE 73 e OF THE CHARTER OF THE UNITED NATIONS  
 REPORT OF THE SECRETARY-GENERAL

ASIAN TERRITORIES

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NOTE: The following symbols are used:

Three dots (...)	data not available
Dash ( - )	magnitude nil or negligible
Slash 1959/1960	crop or financial year
Hyphen 1959-1960	annual average

LIST OF ABBREVIATIONS

FAO . . . . .	Food and Agriculture Organization
ILO . . . . .	International Labour Organisation
UNESCO . . . . .	United Nations Educational, Scientific and Cultural Organization
UNICEF . . . . .	United Nations Children's Fund
WHO . . . . .	World Health Organization

## ASIAN TERRITORIES

### Preface

In accordance with General Assembly resolution 218 (III) of 3 November 1948, the Acting Secretary-General submits to the General Assembly, at its seventeenth session,<sup>1/</sup> full summaries of information for the year 1960 or for 1959/1960 on the Non-Self-Governing Territories listed below.

The summaries are based on information transmitted to the Secretary-General by the Governments of Australia and of the United Kingdom of Great Britain and Northern Ireland in accordance with Article 73 e of the Charter of the United Nations. The last volume of full summaries was incorporated in the ten-year Progress Report (1947-1957).<sup>2/</sup>

Information for the year 1960<sup>3/</sup> was transmitted to the Secretary-General by the Australian Mission to the United Nations and the United Kingdom Mission to the United Nations on the following dates:

<u>Territory</u>	<u>Date of transmission</u>
Brunei	27 November 1961
Cocos (Keeling) Islands	14 April 1961 <sup>4/</sup>
Hong Kong	14 July 1961
North Borneo	26 July 1961
Sarawak	5 June 1961
Singapore	21 September 1961

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<sup>1/</sup> In accordance with General Assembly resolution 1700 (XVI) of 19 December 1961, this information is also submitted to the Committee on Information from Non-Self-Governing Territories.

<sup>2/</sup> United Nations: Progress of the Non-Self-Governing Territories under the Charter (Sales No.: 60.VI.B.1, vol. 5). There is no reference to the Cocos (Keeling) Islands in the Progress Report. Information on this Territory was transmitted to the Secretary-General for the first time in 1956/1957.

<sup>3/</sup> Supplementary statistical information for the years 1958 and 1959 was issued as follows: 1958: A/4366; 1959: A/4757.

<sup>4/</sup> Information for the year ending 30 June 1960.

BRUNEI

AREA AND POPULATION

The area of Brunei is 2,226 square miles (5,765 square kilometres).

The preliminary figures of the 1960 census showed the population as 83,877, compared with estimates of 82,752 at mid-1959 and 77,461 at mid-1958.

Vital statistics

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Birth-rate per thousand population . . . . .	56.8	50.6	48.9
Infant mortality rate per thousand live births . . . . .	88.9	93.1	69.2
Death-rate per thousand population . . . . .	11.8	11.3	10.9

GOVERNMENT

Public Service

Detailed information on the nationality of holders of senior posts in the Civil Establishment is not available. From the names of the holders of twenty-nine such posts in the Colonial Office List 1961 it appears that nineteen of them are of local origin.

ECONOMIC CONDITIONS

The production of oil is the principal industry and chief source of employment and income. The Development Plan 1953-1958, to which \$M100<sup>5/</sup> million was allocated, was completed. No new large-scale building projects were started, but plans were being formulated for further development.

<sup>5/</sup> The local currency is the Malayan dollar (\$M) which equals 2s.4d. sterling, or \$US0.327.

The value of external trade decreased from \$M392 million in 1958 to \$M361 million in 1959 and \$M311 million in 1960. However, there was a favourable trade balance of \$M185 million in 1960, compared with \$M235 million in 1959 and \$M215 million in 1958. There was a budget surplus of \$M96 million in 1960, against one of \$M101 million in 1959 and \$M97 million in 1958.

#### AGRICULTURE AND LIVE-STOCK

The basic policy of the Department of Agriculture is to increase production of foodstuffs, export crops and live-stock, and to carry out agricultural extension and experimental work. Rubber supervisors and live-stock inspectors are posted in the four administrative districts of the Territory to perform extension work. In 1960, plans for establishing an agricultural training school were drawn up.

The budget of the Department for 1960 was \$M911,760, compared with \$M821,194 in 1959 and \$M718,498 in 1958.

#### Principal crops

	Area (acres)			Production		
	1958	1959	1960	1958	1959	1960
Rubber (long tons) <sup>a/</sup>	34,364	35,467	27,000	1,023	1,646	2,155
Rice (thousand gantangs) <sup>b/</sup>	6,409	6,265	6,694	676	1,036	1,571

a/ Production figures relate to exports only.

b/ One gantang equals one gallon.

The 1960 census showed that there were about 2,500 owners of land with a total area of probably 27,000 acres; this is about 8,000 acres less than was previously estimated. Of all rubber holdings, 35 per cent are under five acres and 65 per cent under ten acres. The area of young rubber probably does not exceed 5,000 acres.

The Agricultural Department assists certain producers in the purchase of rice mill, rice threshers and other agricultural equipment. Improved padi seeds and vegetable seeds for home gardening are given free to farmers. Insecticides, fungicides and pesticides are sold to farmers at nominal prices.

A four-year rubber development scheme was completed in 1960. The total area planted was 2,440 acres at a cost of \$M444,446. A further extension in the period 1961-1965 has been approved.

A resettlement office was created under the Development Programme. The next resettlement area, at Gadong Rubber Estate, is intended for the inhabitants of the village on piles at the mouth of the Brunei River. A road and a bridge leading to the settlement were built. The rubber estate will be divided, and subdivisions will be allocated to the river dwellers with guidance and assistance from the Agricultural Department. Resettlement schemes have been completed in two other areas for inhabitants of river kampongs; these resettlements are carried out on a voluntary basis, with free grants of land and financial assistance.

	<u>Live-stock</u> (head)	<u>1958</u>	<u>1959</u>	<u>1960</u>
Buffaloes . . . . .		13,100	13,888	14,400
Cattle . . . . .		1,598	1,894	3,270
Pigs . . . . .		6,858	7,683	6,500
Goats . . . . .		1,384	1,499	1,400

The domestic market can supply only a portion of local requirements, the balance being imported from Sarawak and North Borneo. Imported buffaloes amounted to 50 per cent of the total slaughtered; the corresponding figure for cattle was 67 per cent. Sustained efforts are being made to improve the standard of animal husbandry; treatments, inoculations and vaccinations for live-stock are given free to farmers.

#### FORESTRY

Primary forest covers 1,678 square miles, or about 75 per cent of Brunei's total area; 456 square miles (about 20 per cent) are under secondary forest; and 92 square miles of forest (4 per cent) are in agricultural and residential areas. Forest reserves amount to 818 square miles.

The objectives of forest policy are to reserve forest land permanently for the safeguarding of soil fertility and water supplies and for the prevention of erosion, and to manage the forests according to the principle of sustained yield so that they will provide forest produce both for domestic purposes and for export.

The budget of the Department for 1960 was \$M192,958, compared with \$M174,771 in 1959 and \$M180,119 in 1958.

For the present, the area under forest reservation appears adequate, but it will be necessary to increase it as the population increases. With a rising standard of living and health services, the population has more than doubled in the last fourteen years; it seems probable that the demand for land and forests will increase proportionately within the next decade. Most of the large forest reserves are still not easily accessible except by rivers and streams. Some State land areas have been earmarked for closer examination as they contain valuable areas of agathis forests. Most of these areas have been or are being exploited; a minimum girth limit for the felling of agathis is enforced.

#### Production

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Round logs (cubic feet) . . . . .	524,968	...	1,261,912
Mangrove firewood (cubic feet) . . . . .	102,574	...	1,074,061
Jelutong rubber (long tons) . . . . .	322	298	215

The value of heavy hardwoods produced in 1960 was \$M59,620, compared with \$M39,800 in 1959; the corresponding figures for light and medium hardwoods were \$M62,948 and \$M1,255,500. The value of jelutong rubber was \$M630,000 in 1960, compared with \$M553,000 in 1959 and \$M596,356 in 1958. Owing to improved shipping facilities, exports of timber and firewood to Hong Kong increased in 1960.

#### FISHERIES

Fishing is mainly inshore, in estuaries and rivers, and over coral beds. Owing mainly to the use of outboard engines and to government loans on easy conditions, fishing development has increased.

#### Marine fisheries catch (long tons)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Fish . . . . .	1,644	2,401	2,341
Prawns . . . . .	191	282	251

### MINING

All oil and sub-surface minerals are vested in the State, and mining royalties on the oil are paid to the State. Oil produced in Brunei is piped to Miri, just over the border in Sarawak, where there is a refinery which was established before oil was found in Brunei. A geological survey, started in 1957, was completed.

#### Production of oil

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Number of wells in operation . . . . .	403	423	343
Quantity (thousand long tons) . . . . .	5,334	5,495	3,794
Value (thousand Malayan dollars) . . . . .	301,911	296,000	241,430

### POWER

To meet the continued increase in demand for power in Brunei Town, a 1,000-kw generating set has been ordered and parallel progress has been made in the expansion of the distribution systems. Electrification of the rural areas of Brunei Town has been carried out. A power station and a distribution system are being built for Muara Town. The Kuala Belait and Seria areas continued to receive electric power in bulk supply from the Brunei Shell Petroleum Company Ltd. generating plant at Seria. Total units generated and purchased by the Electrical Department for industrial and domestic consumption were 6,591,908 kwh in 1958, 8,029,676 kwh in 1959 and 9,158,289 kwh in 1960.

### INDUSTRY

Apart from oil production, industries are on a small scale only. There are a number of small sawmills, a few furniture-making shops, two small brick factories, and some aerated water factories. Silversmiths and hand-weavers prosper as operators of cottage industries.



## TRANSPORT AND COMMUNICATIONS

There are 279 miles of roads, including bitumen, metalled, gravel and earth roads and bridle paths. The main highway between Brunei Town and the Seria oilfields has been completed. A railway owned by the oil company connects Badas with the Seria oilfield.

Air services comprise eight flights weekly to and from Singapore via Kuching; a weekly flight to and from Hong Kong; and regular flights to Jesselton, Sandakan, Labuan, Lutong, Bintulu, Sibul and Kuching. The oil company has its own air fleet.

The rivers are the principal means of communication with the interior. Vessels drawing up to sixteen feet can berth at Brunei Town. The tonnage of sea-borne cargo loaded and discharged totalled 142,613 in 1960, compared with 103,794 in 1959 and 72,123 in 1958.

There are six post offices and one postal agency. Automatic telephone exchanges operate in Brunei Town, in Belait and in the oilfields. Radio-telephone communications are maintained with Singapore and Borneo stations.

## PUBLIC FINANCE

Revenue and expenditure  
(thousand Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Revenue . . . . .	130,617	128,375	127,379
Expenditure . . . . .	33,511	27,052	31,628
Main heads of revenue:			
Income tax . . . . .	59,258	55,836	55,223
Revenue from government property (mining rents and oil royalties) . . . . .	39,547	38,584	34,085
Interest, currency profits, etc. . . . .	22,092	25,336	30,711
Customs . . . . .	3,986	3,688	3,714
Main heads of expenditure:			
Public works . . . . .	10,978	7,359	7,062
Education . . . . .	3,179	3,725	4,983
Medical and health . . . . .	2,287	2,621	3,105

Development finance

Expenditure on development  
 (thousand Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Public works . . . . .	12,327	5,646	3,427
Administration . . . . .	1,887	1,350	2,407
Water supplies . . . . .	762	1,220	1,785
Education . . . . .	2,241	2,421	1,599
Other . . . . .	<u>13,377</u>	<u>7,859</u>	<u>3,512</u>
Total	30,594	18,496	12,730

There is no personal income tax. Companies are taxed at a rate of 30 per cent on their chargeable income.

BANKING AND CREDIT

Up to 1958, banking facilities were provided by a commercial bank through its branches in Brunei Town and Kuala Belait. During the period under review two more banks opened branches in the Territory.

INTERNATIONAL TRADE

Imports and exports  
 (thousand Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Imports . . . . .	88,666	62,966	62,879
Exports . . . . .	303,334	297,747	247,822
Re-exports . . . . .	9,153	8,220	7,550

Principal imports:

Printing matter, including currency notes . . . . .	10,188	9,697	9,876
Mining, construction and industrial machinery . . . . .	7,075	4,096	4,107
Iron and steel . . . . .	4,315	3,664	3,555
Road motor vehicles . . . . .	5,555	3,540	2,497
Rice . . . . .	2,779	2,499	2,359
Tobacco . . . . .	2,457	2,227	2,125
Petroleum products . . . . .	2,969	2,540	2,027

Imports and exports (cont'd.)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Power-generating machinery . . . . .	479	1,078	1,947
Electrical machinery, apparatus and appliances (except power- generating machinery) . . . . .	3,778	3,120	1,215
Principal exports:			
Crude oil . . . . .	300,429	292,567	240,066
Natural gas . . . . .	620	635	673
Plantation rubber . . . . .	1,718	3,692	5,267
Jelutong rubber . . . . .	500	376	354
Timber . . . . .	-	-	864
Mangrove firewood . . . . .	3	372	466

Almost the entire trade of Brunei goes through the entrepôt ports of Singapore and Labuan, with a small amount passing through neighbouring coastal ports.

## SOCIAL CONDITIONS

It is reported that race and cultural relations present no special problems in the multi-racial society of Brunei.

Apart from certain social restrictions imposed by Islamic tradition, which are by no means universal in their application, in general women of all races have and exercise complete freedom and are equal before the law.

## LABOUR AND EMPLOYMENT

Unemployment in the sense of lack of opportunity to work is not a problem. The demand for artisans and skilled workers, and, to a lesser extent, for unskilled workers, is higher than the supply from local sources; it is met by recruiting artisans and skilled workers from Hong Kong, Malaya and India, and unskilled workers from Sarawak and North Borneo. Permits for such workers are for limited periods only.

Distribution of labour in the principal categories of  
 employment, 1960

	Government (public works)	Oil company	Rubber	Saw- mills, wood- working, etc.	Others	Total
Malays and Bruneis . . .	1,973	1,198	133	110	650	4,064
Ibans . . . . .	20	106	-	41	60	227
Chinese . . . . .	98	742	25	145	1,755	2,765
Indians . . . . .	1	105	-	-	56	162
Javanese . . . . .	2	41	5	-	10	58
Others . . . . .	13	6	-	1	47	67
Total	2,107	2,198	163	297	2,578	7,343

The average rates of pay for government labour range from \$M4.50 to \$M9.50 a day, and for oil company labour from \$M5.00 for unskilled to \$M13.00 for skilled artisans. Rubber tappers are paid by results and receive between \$M3.00 and \$M5.00 a day with free housing and medical attention. Hours of work are limited by law to eight hours a day and six days a week, with one rest day a week and nine prescribed holidays a year. In fact, the oil company employees work forty-three and a half hours a week, the working week consisting of five and a half days. Government employees work an eight-hour day for five days. The work of a rubber tapper takes about six hours a day.

Employment is seasonal only in the case of non-resident workers on rubber estates, who at certain times of the year return to their villages to help in the growing of rice.

No conciliation machinery exists as yet. However, for the settlement of labour disputes the Commissioner of Labour or his Deputy is available to both workers and employers. Their good offices have been adequate to deal with minor disputes. The oil company has an Industrial Relations Department; elected labour representatives meet management representatives once a month and discuss working conditions, grievances and other matters affecting mutual relations and understanding. Brunei was free from labour unrest in the period 1958-1960.

The oil company runs a technical trade school where a three-year apprentice course is given in fitting, turning, motor and diesel mechanics, welding and blacksmithing. Instruction is also given in the theory of mechanics, workshops practice, electricity, mathematics and machine drawing. In 1960, 156 apprentices attended the school.

STANDARD OF LIVING

Cost of living index  
 (1952 = 100)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Yearly average . . . . .	91.46	92.95	96.27
Limits of monthly oscillation . . . . .	96.06-98.07	86.27-98.77	94.61-97.89

These figures are based on the living requirements of a worker for the oil company, his wife and three children.

TOWN AND RURAL PLANNING AND HOUSING

Housing for workers in the lower income groups is still scarce. Building materials are plentiful. A good low-cost house can be built at \$M14.00 a square foot. Several blocks of flats, financed by the Government, have been built for artisans and the general public.

SOCIAL SECURITY

The Workmen's Compensation Ordinance, enacted in 1957, conforms to the relevant ILO Conventions.

The State Pensions Enactment 1954 provides for non-contributory pensions and allowances, without means test, for: (1) the aged (60 years, \$M20.00 a month; in force from 1 January 1955); (2) the blind (over 15 years of age, and dependants; \$M20.00 monthly for blind person, \$M10.00 for each dependant under 15, \$M20.00 for each dependant over 15, subject to maximum payment of \$M100.00 a month in respect of any one blind person); (3) dependants of lepers receiving treatment in approved settlements, and of persons detained in mental hospitals or committed to the care of relatives or friends under terms of the Lunacy Enactment (\$M20.00 a month for adults, \$M10.00 a month for dependants under 15, subject to a maximum of M\$100.00 a month in respect of any one leper or mental patient); (4) disabled persons, incapable of work for a considerable period, who are undergoing treatment by the State Medical Officer (\$M20.00 a month). All pensions are available to all races, subject to a residence test. All funds for pensions are provided from government revenue.

PREVENTION OF CRIME AND TREATMENT OF OFFENDERS

Number of persons convicted

<u>Offences</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
Against the person . . . . .	25	46	39
Against property . . . . .	56	47	73
Traffic . . . . .	1,579	1,062	721
Other . . . . .	283	180	163

PUBLIC HEALTH

The small area of Brunei facilitates the provision of medical services and makes possible the control of diseases such as yaws, malaria and tuberculosis. Yaws has been eliminated by the wide-spread use of penicillin; as a result of residual insecticide house spraying, carried out annually, the number of cases of malaria was 41 in 1958, 66 in 1959 and 16 in 1960; and there are signs that a campaign against tuberculosis, which was started in 1958, will within a few years bring this disease under control.

Attempts are being made to improve maternal health and reduce the infant mortality rate by health education in maternal and child health clinics, by an increase in the number and areas of work of the health and midwifery sisters and their staff, and by the continued training and deployment of departmentally trained midwives.

A small teaching unit attached to the Brunei Town hospital trains assistant nurses, nurses and hospital assistants; about twenty-five are trained per year. Certain selected students are sent overseas for advanced training, usually to the United Kingdom, the Federation of Malaya or New Zealand.

In the municipal areas, water-borne sanitation is gradually being introduced. Piped water supplies are available in the urban areas; rural communities depend on rain water and wells.

Expenditure  
(thousand Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Recurrent . . . . .	2,091	2,690	3,521
Capital . . . . .	326	63	173
By municipal authorities (scavenging, refuse disposal, conservancy, etc.) . . . . .	205	205	309

Medical and health staff

	<u>1958</u>		<u>1959</u>		<u>1960</u>	
	<u>Govt.</u>	<u>Private</u>	<u>Govt.</u>	<u>Private</u>	<u>Govt.</u>	<u>Private</u>
Registered physicians . . . . .	7	6	8	6	7	5
Medical assistants . . . . .	24	36	24	36	24	30
Nurses of senior training . . . . .	9	8	10	8	10	5
Certificated nurses . . . . .	15	-	16	-	62	-
Partially trained nurses . . . . .	74	33	71	33	22	32
Midwives of senior training . . . . .	2	8	6	8	5	8
Certificated midwives . . . . .	25	22	29	22	33	22
Partially trained midwives . . . . .	7	-	7	-	9	-
Sanitary inspectors . . . . .	4	1	4	1	4	1
Laboratory and X-ray technicians . . . . .	5	10	6	10	5	9
Pharmacists . . . . .	1	1	1	1	1	-

Institutions

	<u>Number</u>			<u>Number of beds</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
General hospitals . . . . .	2	2	2	} 330	} 375	300
Rural hospitals . . . . .	1	1	1			84
Dispensaries . . . . .	2	3	2			19
Maternity and child welfare centres . . . . .	7	7	7	-	-	-
Tuberculosis . . . . .	2	2	2	...	...	...

## EDUCATIONAL CONDITIONS

The schools are grouped according to the language of instruction: Malay, Chinese or English. In some of the Malay-language schools, English is taught as a second language in the fourth year. In the Chinese-language schools, Malay and English are taught as subjects. The Chinese-language schools are organized and managed by a Chinese School Committee. They receive 50 per cent of their recurrent costs from the Government. Mission schools are no longer subsidized by the Government.

There are two mixed and one girls' secondary schools administered by the Government. The medium of instruction is English, but Malay and Chinese are taught. One of these schools prepares students for university entrance examinations. There are three Chinese secondary schools. Of the five mission secondary schools, two have upper and three lower secondary classes.

There are no pre-primary schools as such, but some Chinese schools admit children into pre-primary classes; the age of admission is about 4. In the Government Malay schools, a full primary course is given up to primary VI. All Chinese schools have primary classes. Pupils generally enter at the age of 5 and finish at the age of 15. The full primary course covers six classes. Six mission schools have primary classes for which fees are charged. Although most of the pupils in mission schools are Chinese, there are also members of other groups. In government English schools there are no primary classes as such, but they have special preparatory classes into which selected pupils from Malay and Chinese schools are placed. As these children have had at least four years' tuition in their mother tongue, the curriculum is largely devoted to English in an intensive three-year course. Entrance to secondary school is then by examination.

Admission to the government vernacular primary schools is free and all locally born children who live within two miles of a school are compelled to attend. Selected students from primary V of these schools are given scholarships to government secondary schools in which the medium of instruction is English.

Of the population aged 10 and over at the 1960 census, 25,724 were literate and 27,969 illiterate. Men attending literacy classes numbered 839, and women 219.



Schools

	<u>1958</u>		<u>1959</u>		<u>1960</u>	
	<u>Govt.</u>	<u>Inde- pendent</u>	<u>Govt.</u>	<u>Inde- pendent</u>	<u>Govt.</u>	<u>Inde- pendent</u>
Primary . . . . .	50	14	52	14	56	15
Secondary . . . . .	3	4	3	4	3	8
Vocational . . . . .	-	1	-	1	-	1
Teacher-training . . . . .	1	-	1	-	1	-

Pupils

	<u>1958</u>		<u>1959</u>		<u>1960</u>	
	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>
Primary . . . . .	7,230	3,673	8,888	5,931	8,365	5,969
Secondary . . . . .	726	420	758	362	1,007	513
Vocational . . . . .	193	-	144	-	160	-
Teacher-training . . . . .	84	17	64	-	84	8

In 1960, out of 25,527 children of school age, 16,106 attended school.

Teachers

	<u>1958</u>		<u>1959</u>		<u>1960</u>	
	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>
Primary . . . . .	336	121	360	218	328	215
Secondary . . . . .	29	28	48	26	70	26
Vocational . . . . .	10	-	10	-	10	-
Teacher-training . . . . .	5	-	7	-	7	-

CULTURAL INSTITUTIONS AND MASS COMMUNICATIONS

There are five libraries, a historical and a debating society, and photographic, nature study and garden clubs.

There is a weekly commercial newspaper in English with a circulation of 9,500. A fortnightly paper (circulation 2,500) is published by the Government and distributed free. The oil company distributes a free weekly newspaper (circulation 7,000) to its employees. There are seven permanent cinemas, five mobile cinema units and six filmstrip projectors. Radio Brunei broadcasts 137 hours a week; in 1960 there were about 6,500 radio receivers.

COCOS (KEELING) ISLANDS<sup>6/</sup>

AREA

The Territory, comprising twenty-seven small coral islands in two separate atolls with a total land area of about five square miles (thirteen square kilometres), is situated in the Indian Ocean and lies about 2,290 miles west of Darwin and 1,720 miles northwest of Perth, Australia. West Island, the largest island of the group, six miles in length and one-quarter of a mile in width, is found in the southern or main atoll consisting of several islands. The northern atoll is a single island (North Keeling) which is situated about fifteen miles north of the main group. Both atolls are composed mainly of coral clinker, and there is no real soil on the Territory. The climate is pleasant with the temperature varying between 69°F and 90°F, and an average annual rainfall of 80 inches.

POPULATION

Three main settlements have been established on Home, West and Direction Islands; the main permanent population groups are Europeans and Cocos Islanders, who are descendants of the original Malayan settlers brought to the islands by John Clunies-Ross, who claimed ownership of the islands in 1827. By an indenture of 1886 all land on the islands was granted to the Clunies-Ross family. Apart from the Clunies-Ross family, Australians form the only other European population group. Most of the Europeans live on West Island. The Cocos Islanders live on Home Island and numbered about 460 in 1955 when the Government of Australia took over administration. At the expense of the Clunies-Ross Estate and the Singapore Government, a considerable number of the Cocos Islanders had emigrated to Singapore, Christmas Island and North Borneo. During 1958 an additional 109 Islanders moved to Christmas island. In recent years a few Asians have come to Direction Island for work under indentures of one or two years. Since June 1960 there have been no temporary Asian residents employed on Direction Island.

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<sup>6/</sup> The years mentioned in this summary relate to the administrative year 1 July to 30 June. Where a year is mentioned without qualification, it refers to the twelve months ending 30 June in the year specified.

COCOS (KEELING) ISLANDS

	<u>Resident population figures</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Cook Islanders . . . . .	450	407	418
Europeans . . . . .	123	141	181
Indians . . . . .	...	...	8
<b>Total</b>	<b>573</b>	<b>548</b>	<b>607</b>

GOVERNMENT

Under the Cocos Islands Act, 1955, of the United Kingdom and the Cocos (Keeling) Islands Act, 1955, of the Commonwealth of Australia, the Territory was transferred from Singapore to Australia. The Cocos (Keeling) Islands Act, 1955-1958, provides for the basis of the Territory's legislative, administrative and judicial systems, and is administered by the Minister of State for Territories. Under this Act the Governor-General is empowered to make ordinances for the peace, order and good government of the Territory. No new ordinance was enacted during the year under review. Under the terms of the Official Representative Ordinance, 1955, an Official Representative is appointed by the Minister of State for Territories to be responsible for general administration, including health and education. In addition to the Department of Territories, the Australian government departments, represented either directly or through an agency in the Territory, included the Departments of Interior, Works, Civil Aviation and Immigration and the Postmaster-General's Department. In carrying out the agency functions relating to posts and telegraphs and immigration, the Official Representative is responsible to the Director of Posts and Telegraphs, Western Australia, and to the Minister for Immigration. The staff of the Departments of Interior, Works and Civil Aviation are not subject to the direction of the Official Representative.

The Cocos (Keeling) Islands Act, 1955-1958, provides that the institutions, customs and usages of the Cocos Islanders shall, subject to any law in force in the Territory, be permitted to continue in existence. Under the provisions of this act, a person born in the Territory on or after 23 November 1955, is an Australian citizen and British subject. A British subject, who is not an Australian citizen and ordinarily resides in the Territory, can become an

Australian citizen by making such a declaration as prescribed in the Nationality and Citizenship Act, 1948-1958. Thirty-four Cocos Islanders have been granted Australian citizenship under these provisions.

#### ECONOMIC CONDITIONS

The operations of the Australian Government and the production of copra, all of which is grown by the Clunies-Ross Estate, are the mainstay of the economy. The Territory is far from self-sufficient and depends largely on imports for food and other supplies from Australia and Singapore. In practice, imports are admitted duty free. The following type of exports to Australia from the Territory are exempt from customs duty: the produce or manufacture of Cocos (Keeling) Islands, re-exports, and goods not subject to excise tax if produced in Australia.

#### AGRICULTURE AND LIVE-STOCK

The development of agriculture has been handicapped by the poor soil conditions and the lack of fresh water. The main crop is the coconut and the annual export of copra has not exceeded 450 tons. Progress has been made in the control of rhinoceros beetles which had infested the coconut palm. Small quantities of vegetables are grown but major supplies of fresh vegetables are air-freighted from Australia. Fowls and ducks are the only live-stock, and pasture grasses have been established on South Island.

#### TRANSPORT AND COMMUNICATIONS

An international airport has been established under the control of the Australian Department of Civil Aviation. A fortnightly service between Sydney and Johannesburg via Perth, Mauritius and Cocos is operated by Qantas Empire Airways. South Africa Airways also operate a fortnightly service between Johannesburg and Perth via Mauritius and Cocos.

Air transport

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Aircraft . . . . .	132	190	302
Passengers:			
Arrivals . . . . .	125	245	280
Departures . . . . .	131	215	254
In transit . . . . .	2,519	2,903	3,168
Freight (kilos):			
Arrivals . . . . .	64,930	172,833	187,671
Departures . . . . .	3,861	28,839	20,445

The Australian Overseas Telecommunications Commission administers a telegraph station on Direction Island, which is linked by submarine cables with Cottesloe in Western Australia, with Djakarta in Indonesia and with Rodrigues Island in the Indian Ocean. The main telegraph routes between Australia and South Africa, and Australia and the Far East, pass through Cocos on these cables. The traffic handling capacity of the station has been improved with the installation of a submarine repeater, similar to the type used in Atlantic telephone cables.

## PUBLIC FINANCE

Recurrent and capital expenditures are met from money appropriated by the Australian Government and placed under the control of its various departments. Prior to 1960, the main revenue had been derived from reimbursements by employing authorities in the Territory of the cost of hospital and medical services provided by the Australian Government. During the year this procedure was altered; individual patients are now charged for medical treatment and the Australian Government bears capital expenditure. The change of procedure for the recovery of the costs of medical services accounted for the marked decrease in revenue to £A5,947<sup>7/</sup> in 1960 from £A14,690 in 1959 and £A18,776 in 1958. Expenditure by the Departments of Territories and Works was: £A73,079 in 1958, £A78,182 in 1959 and £A32,478 in 1960. The decrease in expenditure in 1960 was due to the completion of major capital works.

<sup>7/</sup> The local currency is the Australian pound (£A), which is equal to 16s. (sterling) or \$US2.24.

## SOCIAL CONDITIONS

No significant changes were reported during the period under review.

### LABOUR AND EMPLOYMENT

The main source of employment for Cocos Islanders is the Clunies-Ross Estate, and they are employed mainly in the production of copra and in trades and tasks associated with the copra industry. In addition to a cash wage paid in local currency, the Clunies-Ross Estate provides rations, housing, medical services, clothing subsidies and pension benefits for its workers. Under an agreement governing the purchase of land for the airstrip, the Australian Government agreed not to offer excessive inducements to attract local labour away from the copra industry because of its essential place in the economy. In order to attract the required European staff, the Australian Authorities, Qantas Empire Airways, Ltd., and the Shell Company provide basic salaries with special allowances, which may range up to £A600 per annum, for the European employees.

### HOUSING

On both West and Direction Islands, housing is provided for married persons and single men. During 1960, there were twenty-seven family residences and single accommodation for forty-two men on West Island. Several new houses and buildings were erected on both West and Direction Islands during the year.

### PUBLIC HEALTH

The senior medical personnel, consisting of one Australian Medical Officer and a nursing sister, are provided by the Department of Territories. The Medical Officer's main duties are to provide medical attention for the staff on West Island and their dependants and the crew and passengers of transit aircraft, and for the Clunies-Ross Estate community; and to be responsible for public health matters generally.

A four-bed hospital with a small operating room, an X-ray unit and a clinical pathology laboratory is equipped to handle most surgical and medical emergencies. Dental treatment is provided by a visiting dentist of the Australian Department of Health, and during the year such a dentist from Darwin visited the Territory. A specialist from the Royal Perth Hospital made a trachoma survey of the Territory and found the entire population to be free from the disease.

#### EDUCATIONAL CONDITIONS

The Clunies-Ross Estate provides for the children of its employees free primary education, which is restricted to three years' schooling in the vernacular. On West Island, a primary school of seven grades following the Western Australian primary syllabus is provided by the Department of Territories. The enrolment of this school increased from eight in 1958 to fourteen in 1959 and twenty-three in 1960. There is no secondary education in the Territory, and secondary pupils undertake correspondence studies or proceed to schools in Australia with travel aid and an annual education allowance of £A145 for each pupil.

#### MASS COMMUNICATIONS

A news-sheet entitled Cocos Clarion is published fortnightly for free distribution to persons on the islands. A regular supply of books is provided for lending purposes by the National Library, Canberra. During the year a colour film of the Territory was taken for the Department of Territories which has been released for world-wide publication.

## HONG KONG

### AREA

Situated on the south-east coast of mainland China, the Territory of Hong Kong has a land area of approximately 398 square miles (1,032 square kilometres), and comprises three distinct parts: (a) the island of Hong Kong and a number of small adjacent islets (29 square miles); (b) the Kowloon Peninsula (over three square miles); and (c) the New Territories including a substantial section of the mainland and 235 small islands (over 365 square miles).

### POPULATION

The last census taken in 1931 found the civilian population to be 849,751. In 1959 a Census Department was established, and a new census was scheduled to be taken in March 1961. Owing to the influx of immigrants, the majority of whom were refugees, and the rapid natural increase, the population of Hong Kong continued to rise from 2,806,000 in December 1958 to 2,919,000 in December 1959 and 3,014,000 in December 1960. These official estimates of population do not cover all illegal immigrants. In recent years the increase in population due to the excess of registered births over registered deaths was considerable. In 1960 the natural increase was 91,521 out of a total of 95,000, compared with 84,329 out of a total of 113,000 for the previous year.

Over 99 per cent of the inhabitants are Chinese. The number of British subjects, excluding service personnel and their dependants, who lived in urban Hong Kong at the end of 1960 was estimated at 16,000. The largest of these communities were of United Kingdom, Portuguese and Indian origin. Other non-Chinese permanent and semi-permanent residents included 2,436 American and 650 Japanese. Over 83 per cent of the total population lives in the urban area of some thirty-six square miles. The expanding population and conditions of overcrowding remain at the root of all Hong Kong problems of providing adequate facilities for the physical, social and educational needs of the population.



Vital Statistics

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Birth-rate per thousand population . . . .	38.8	36.6	37.1
Infant mortality rate per thousand live births . . . . .	54.3	48.3	41.5
Death-rate per thousand population . . . .	7.5	7.1	6.4

GOVERNMENT

Public Service

It is the policy of the Government to ensure that the Public Service of Hong Kong is staffed to the greatest possible extent by local officers. In order to implement the Government's policy of giving preference in appointment to well-qualified local candidates and to improve the standard of efficiency of government servants, the Public Service Commission, a statutory body, was established in 1950. Since then the work of the Commission has greatly expanded, and during the period 1956 to 1959 the number of officers on the civil service establishment within the purview of the Commission increased from 7,879 to 12,086.

There are over thirty departments to carry out the administrative functions of the Government, and all the officers of these departments are members of the Public Service. In April 1960, the total establishment of the Public Service was 50,433, almost three times as large as in April 1949 when it was 17,554. There were 501 local officers and 796 overseas officers holding senior posts in the Public Service (class I and II offices) in January 1960, compared with fifty-four local and 448 overseas officers holding class I and II offices in 1950. In January 1960, there were also 695 overseas and 11,624 local officers in more junior offices (class III); the total number of local and overseas officers holding class I-III offices in 1960 were 12,125 and 1,491 respectively. At 31 December 1960, the actual strength of the Hong Kong Public Service consisted of 1,593 overseas officers and 45,400 local officers.

During the last decade, the total number of overseas officers continued to increase, though less rapidly than the number of local officers. In respect of promotions no distinction is made between overseas and local officers. However,

owing to the lack of facilities for the acquisition of certain types of qualifications and skills in Hong Kong, the replacement of overseas officers by local persons is proceeding at various rates in different departments. For instance, during the period April 1950 to April 1960, no local officers had been appointed to any of the five special posts and to the top posts of the Administrative Grade, the number of which increased from eleven to twenty-nine in the last decade. During the same period, the senior posts for overseas and local officers in the Administrative Grade increased from thirty-one to thirty-six and from one to seven, respectively. From April 1950 to April 1960, the top posts for overseas and local officers in the Executive Grade increased from fifteen to seventeen and from zero to two respectively, while the lower posts for local officers in the Executive Grade rose from forty-seven to seventy-six. In the Education Department, total senior overseas and local officers increased from fifty-one to 132 and nineteen to ninety respectively during the same period.

#### Training facilities

Various training schemes and courses of instruction have been established, with emphasis on the training of civil cadres in order to promote the Government's policy of employing qualified local candidates whenever possible. The Report on Training of Government Servants 1952-1958 showed that sixty-eight local training schemes and fifty-three overseas courses of instruction were in operation. The major government departments have their own schemes for the training of civil servants in order that they may more efficiently perform their duties. These courses are generally classified as specific schemes and on-the-job training programmes although the distinction is not always clearly defined. Under the schemes, training is often a continuous process which starts when an officer is first recruited and continues throughout his career. Total figures of the numbers of officers who have received local training are not available.

During the period 1952 to 1958, the number of local and overseas officers who had undertaken overseas courses of instruction amounted to 244 and 193, respectively. Training courses for overseas officers are shorter in duration; officers are normally sent on such courses during their vacation leave. Most of the overseas courses for local officers last from several months to one or two

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years. The numbers of officers attending overseas courses increased from 101 (67 local officers and 34 overseas officers) in 1958 to 114 (79 local officers and 35 overseas officers) in 1959 and 126 (85 local officers and 41 overseas officers) in 1960. The total expenditure on overseas training in 1960 reached \$HK1,430,000.<sup>8/</sup> Financial assistance has been received from Colonial Development and Welfare funds and the specialized agencies of the United Nations.

Two significant steps were taken during 1960 to accelerate the training programme. First, on the recommendation of the 1959 Salaries Commission the Government decided to set up a central organization for the systematic training of staff and the co-ordination of departmental training programmes. Secondly, in order to expedite the training of local officers for the professional grades with a view to further reducing the number of overseas officers, a scholarship programme was in preparation which would enable local officers to attain basic qualifications of university degree standard.

#### ECONOMIC CONDITIONS

During the last decade, the life and economy of Hong Kong have been characterized by a phenomenal increase in population and a rapid rate of industrial development. The economic pattern, which was mainly commercial before the Second World War, has become predominantly industrial. Among the important factors which have helped industrialization are the existing good banking and insurance facilities, the flexibility of the Territory's commercial infrastructure, and the influx of refugees with their capital, skills and labour. Although industrial development is handicapped by the lack of natural resources, the shortage of level land suitable for industrial purposes and difficulties over water supplies, it has enabled Hong Kong to free itself from long dependence on traditional entrepôt trade.

The rapid industrial development is reflected in the increase in the number of factories and workers and in the value of products wholly or principally of Hong Kong origin. There were 5,599 registered factories employing 234,533 persons in 1960, compared with 4,906 with 179,997 workers in 1958. Locally manufactured products in relation to the total export earnings rose from 42.2 per cent in 1958

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<sup>8/</sup> The local currency is the Hong Kong dollar (\$HK), which is equal to 1s.3d. or \$US0.175.

to 73 per cent in 1960. The range of local manufactures is steadily widening and finding expanding markets abroad. Tourism has become a major industry. During 1960, 163,500 persons visited the Territory, an increase of 25,000 over the previous year.

The government machinery for general economic development is under the control of the Financial Secretary. However, economic planning is not the function of the Hong Kong Government whose role has been to provide a stable and secure framework for the development of industry and commerce. The Commerce and Industry Department has a special branch dealing with trade missions and export promotion. The Trade and Industry Advisory Board, which consists of nine unofficial members, including two representatives from the Hong Kong General Chamber of Commerce and the Federation of Hong Kong Industries, advises the Director of Commerce and Industry on matters relating to the development of industry and trade. The solution of Hong Kong's problem of meeting the economic and social needs of the growing population is heavily dependent upon the growth of exporting industries and trade.

#### AGRICULTURE AND LIVE-STOCK

The basic agricultural policy of the Government is the stimulation of maximum food production compatible with the optimum utilization of resources of land and sea. However, expansion of agriculture is conditioned by the hilly nature of Hong Kong's terrain. According to a recent study on land use in Hong Kong, the arable land already exploited comprises only fifty-one square miles or 13 per cent of the total area, 82 per cent of the total area is marginal land, and the expanding urban areas tend to encroach more directly upon arable rather than marginal land. In order to increase the agricultural production and thus to improve the economic status of the farmers, the Government is endeavouring to assist the farming industry by encouraging diversified production, introducing improved scientific techniques, improving irrigation, providing agricultural loan funds and conducting vocational courses. The courses are given by the Agriculture and Forestry Department and cover a wide range, including instruction on up-to-date techniques in rice cultivation, pig and poultry keeping, market gardening, tree cropping and pond-fish culture. During 1960 some 250 farmers attended these vocational training courses.

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Hong Kong's farming pattern has undergone a marked change in the past decade. Formerly, padi cultivation was the most important aspect of agriculture in the New Territories. With the increased demand for food, especially the protective foods, and pressure on the land resulting from industrial expansion and the influx of refugee farmers, there has been a steady move in favour of market gardening and pig and poultry production. The area of land under padi decreased from 20,191 acres in 1954 to 18,498 acres in 1960, while the land area under permanent vegetable cultivation increased from 2,254 to 4,430 acres during the same period. The Vegetable Marketing Organization was established by the Government to facilitate the transportation of vegetables and wholesale marketing, and a wide variety of vegetables is now sold through the Organization. As a result of increasingly intensive cultivation, Hong Kong can meet nearly half its vegetable needs and more than a quarter of its pork requirements. However, the Territory depends mainly on imports for its grain and other food supplies.

Principal crops

	<u>Area</u> (acres)			<u>Production</u> (metric tons)		
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
Rice (milled) . . . . .	19,050	18,980	18,498	22,395	21,288	19,018
Vegetables . . . . .	3,615	3,905	4,430	74,208	91,196	94,916 <sup>a/</sup>

<sup>a/</sup> For the fiscal year ending 31 March. The production for the fiscal year 1959 was 84,718.

Live-stock  
(number)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Cattle and buffaloes . . . . .	18,691	19,000	21,000
Pigs . . . . .	106,631	150,000	154,000
Poultry . . . . .	1,158,170	2,350,000	3,085,780

## FORESTRY

Hong Kong has no mature forests of any magnitude, and organized forestry research and investigation remain in the formative stage. In 1953 the Government adopted an afforestation programme with the objectives of preventing soil erosion and improving water supplies from catchment areas and of providing fuel and poles in rural areas. A target of 100,000 acres of new forest has been set, to be reached in twenty to twenty-five years, by planting between 2,000 and 3,000 acres of forest reserves and village forestry lots annually. During 1960 planting progressed more slowly owing to unfavourable weather; 965 acres were planted in the forest reserves, compared with 2,127 acres in 1958 and 1,729 acres in 1959. The Agriculture and Forestry Department's scheme of assisting the villagers in planting and managing their forestry lots continued to gain popularity, and 114 acres were planted in village forestry lots in 1960. During the year the Department supplied trees and technical assistance to some sixty-eight schools, which organized tree-planting days and planted nearly 6,000 trees in the rural districts.

## FISHERIES

During 1960 the former Fisheries Advisory Committee, which co-ordinated three separate organizations concerned with fisheries,<sup>9/</sup> was suspended and a single authority to direct fisheries activities was established. The Fisheries Division, combined with the Fisheries Research Unit, was transferred to the renamed Co-operative Development and Fisheries Department. The main duties of the Fisheries Division include the promotion of mechanization, the development of more modern and efficient fishing boats, the introduction of improved fishing gear and new fishing methods and the training of fishermen for Marine Department certificates of competency as masters and engineers. The Fish Marketing Organization under the control of the Director of Marketing, who is also Commissioner for Co-operative Development and Fisheries, is responsible for the wholesale marketing of all marine

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<sup>9/</sup> The Fisheries Division of the Agriculture and Forestry Department, the Co-operative and Marketing Department responsible for the administration of the Fish Marketing Organization and the supervision of fishermen's co-operative societies, and the Fisheries Research Unit of the University of Hong Kong.

fish. The Organization administers two fisheries loan funds with a capital of over \$HK4.5 million for the development of the industry. Under a Colonial Development and Welfare scheme, a fisheries development loan fund of \$HK2 million was established in 1959 for the purpose of improving fishing methods, particularly the mechanization of existing commercial deep-sea vessels.

Marine fish is Hong Kong's first primary product and its fishing fleet is the largest of any port in the United Kingdom Territories. In 1960, the fishing fleet consisted of 10,400 vessels (9,400 in 1959 and 8,500 in 1958), of which 3,329 were mechanized (2,366 in 1959 and 2,287 in 1958). Mechanization of vessels and improvements in fishing methods have resulted in increased efficiency and bigger catches over the past few years.

Wholesale marketing of fisheries' products

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Marine fish (long tons) . . . . .	44,906	49,893	47,229
Value (thousand Hong Kong dollars) . .	47,839	57,143	53,904

MINING

A variety of minerals are found in Hong Kong, and the ores of iron and wolframite and the non-metallic minerals have been exploited. The ownership and control of all minerals is vested in the Crown according to the Mining Ordinance 1954, which provides for the issue of prospecting and mining licences by the Commissioner of Mines, concurrently Commissioner of Labour. An amendment to this ordinance came into effect in 1960 extending the periods of renewal for prospecting and mining licences from two to five years and from five to ten years, respectively. At the end of 1960, there were two mining leases (four in 1959), twenty-one mining licences (twenty-two in 1959) and six prospecting licenses (two in 1959) in operation.

	<u>Production</u>			<u>Value</u>		
	<u>Quantity</u> (long tons)			<u>(thousand Hong Kong dollars)</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
Iron . . . . .	105,125	119,893	117,043	3,995	4,556	5,273
Clay . . . . .	7,621	7,256	6,663	686	784	791
Graphite . . . .	3,285	3,283	3,799	342	337	428
Wolframite . . .	38	39	31	300	210	246
Lead . . . . .	36	-	-	15	-	-

## POWER

Owing to the lack of natural resources, electricity and gas are generated from imported fuels. Gas is not widely used because of its relatively high cost. Electricity is widely used and supplied by two private companies. A commission, appointed in July 1959 to inquire into the question of control over the two power companies, recommended that because of the difficulty of reconciling the conflicting interests of shareholder and consumer a form of public ownership should be introduced. In 1960, the two companies submitted alternative proposals, which suggested, among other things, that dividends and profits retained for investment should be limited to a fixed sum per unit sold. All these proposals were under consideration by the Government.

The two companies had a joint generating capacity of 352,000 kw in 1960, compared with 335,000 kw for the previous year. The number of consumers increased from 195,485 in 1958 to 228,492 in 1959 and 257,836 in 1960, while the electricity consumption was 79.4 million kwh in 1958, 93.4 million kwh in 1959 and 1,116 million kwh in 1960.

## INDUSTRY

The expansion and diversification of manufacturing industries in Hong Kong have helped its economic survival. The number of factories and industrial undertakings registered or recorded with the Labour Department for inspection purposes rose from 4,906 in 1958 to 5,599 in 1960. The number of industrial establishments of all types was believed to be 8,000. The great majority of the industrial establishments are owned and operated by Chinese residents of the Territory. At the end of 1960, the 5,599 registered factories employed 234,533 persons, of whom 100,387 were women. In addition, there were numerous smaller businesses, mostly pursuing traditional Chinese handicraft activities, employing over 150,000 people.

Industrial expansion is hampered by the lack of flat land and the scarcity of water. To offset the shortage of flat land, the Government is levelling hilly ground and using the spoil to reclaim land from the sea. One of the reclamation schemes already in operation is at Kwun Tong, near Kowloon, where some 140 acres of industrial land will be provided. A significant development in industrial



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promotion during 1960 was the inauguration of the Federation of Hong Kong Industries, which claims to represent all industrial interests in the Territory and aims to cut across all racial and sectional interests. The Federation's present and planned activities include the organization of training in industrial management and of technical training for factory employees and close liaison with the Government on all matters affecting industry and industrial development.

Parallel with the industrial expansion, there has been a change of emphasis from the older and heavier to the newer and lighter industries. While the heavier industries such as shipbuilding and shipbreaking continue to be important, Hong Kong has become known for the price, quality and range of products of its light industries. Among the light industries, textiles have expanded to become the major industry, which engaged 62,076 workers in 1960, compared with 52,936 in 1959. However, the textile industry is facing difficulties owing to significant increases in tariff restrictions and even some open discrimination against the imports of Hong Kong's textiles and clothing into foreign markets.

#### TRANSPORT AND COMMUNICATIONS

The life and economy of Hong Kong continue to depend on efficient organization and control of its shipping, aircraft, rail and road transport, posts and telecommunications, although there is a reduced emphasis on purely entrepôt and commercial activities. The Territory has become a focal point of most of the communication routes in eastern Asia. Regular shipping services are maintained with all parts of the world, and during 1960 over 11,000 ocean-going ships entered the port of Hong Kong. In 1960, sixteen international airlines operated air services, connecting Hong Kong with the principal world air routes at a frequency of some 220 flights to and from the Territory each week.

Practically all the roads in Hong Kong, including those in rural areas, are surfaced with concrete, bitumen, macadam or asphalt. The total length of concrete roads amounted to 505 miles in 1960, an increase of about thirty miles over 1958. The number of registered private motor cars increased from 24,378 in 1958 to 26,884 in 1959 and 31,507 in 1960. During the year, the Kowloon-Canton Railway of twenty-two miles carried 5,891,040 passengers (5,993,037 in 1959) and 355,861 metric tons (253,862 in 1959) of freight.

Air transport

The Airport Development Plan is to be completed in three stages at an estimated cost of \$HK140 million. The first stage, started in 1956, was completed in 1958 with the opening of a new runway promontory projecting over a mile into Kowloon Bay. The second stage of the development plan, comprising the extension of the runway and the provision of a new aircraft apron and the erection of a temporary terminal building, was completed in 1959. The third and final stage of the plan, entailing the provision of a permanent terminal and associated buildings, began in 1960. This new terminal building will be ready for use early in 1962. Hong Kong's international airport is capable of operating on a twenty-four-hour basis and of handling the new jet and prop-jet aircraft.

Arrivals and departures of aircraft and passengers

	<u>1958</u>	<u>1959</u>	<u>1960</u>
International flights . . . . .	9,553	10,502	11,923
Passengers . . . . .	254,351	303,063	380,904

Ocean-going vessels, passengers and cargo

	<u>1957/1958</u>	<u>1958/1959</u>	<u>1959/1960</u>
Number of vessels entered and cleared . . . . .	8,522	9,104	10,129
Total net tonnage . . . . .	24,765,199	28,200,126	30,203,118
Passengers . . . . .	67,949	58,679	69,466
Cargo (weight tons) . . . . .	5,080,597	5,608,390	6,509,911

Telecommunications

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Telephone:			
Direct exchange lines . . . . .	62,000	68,000	} 110,000
Extensions . . . . .	24,000	26,500	
Telegrams:			
Transmitted . . . . .	965,000	1,010,400	1,022,618
Delivered . . . . .	1,067,100	1,147,400	1,136,377
Radiophone:			
Minutes outward . . . . .	450,000	408,000	417,786
Minutes inward . . . . .	571,800	553,000	608,931

## PUBLIC FINANCE

The financial position of Hong Kong remained sound. In addition to a substantial contribution to its external defence, the Territory raised its revenue from local sources to meet the cost of all local works and services. Liabilities and assets were balanced at \$HK587,826,355 for the fiscal year 1960 ending 31 March, compared with \$HK663,949,470 for the previous year. At the end of the fiscal year 1960, the public debt totalled \$HK93.9 million, compared with \$HK92 million for 1959. At the end of the fiscal year 1960, a Revenue Equalization Fund stood at \$HK138 million as a reserve against future deficits on current account; a Development Loan Fund, which increased by \$HK47 million over 1959 to \$HK227 million, existed as a revolving fund for financing economic and social development projects of a self-liquidating nature.

Prior to 1959/1960, revenue had exceeded expenditure for over a decade. The 1959/1960 revenue fell short of expenditure by \$HK45.2 million owing to the heavy cost of financing economic and social development programmes. The budget for 1960/1961 estimated total revenue at \$HK712 million and total expenditure at \$HK938 million, and therefore showed a deficit of \$HK226 million.

	<u>Revenue and expenditure</u>		
	(thousand Hong Kong dollars)		
	<u>1957/1958</u>	<u>1958/1959</u>	<u>1959/1960</u>
Revenue . . . . .	584,185	629,337	664,635
Expenditure . . . . .	532,679	589,958	709,954
Main heads of revenue:			
Internal revenue . . . . .	184,892	194,781	193,494
Duties . . . . .	105,723	111,378	120,872
Rates . . . . .	65,159	74,604	85,345
Colonial Development and Welfare grants . . . . .	1,313	1,194	778
Main heads of expenditure:			
Public works . . . . .	172,525	198,680	245,054
Defence . . . . .	27,823	26,405	36,099
Police force . . . . .	44,272	49,954	54,991
Subventions . . . . .	51,083	60,066	78,641

### BANKING AND CREDIT

Hong Kong has been a part of the sterling area since 1941. The value of the Hong Kong dollar has been maintained at approximately 1s.3d. sterling although the banks may deal with the public at a few points on either side of this rate.

There were eighty-six licensed banks at the end of 1960, compared with eighty-two for the previous year. Forty-four banks were authorized wholly or partially to deal in foreign exchange during 1960, compared with forty-two for 1959. The majority of authorized foreign exchange banks have branches or correspondents throughout the world. Interbank transactions are facilitated by a clearing house association with fifty-three members. Monthly clearings in 1959 and 1960 averaged \$HK1,494 million and \$HK1,925 million respectively. At 30 June 1960, the total loans and advances to commerce and industry amounted to \$HK1,570 million. The number of branch banks in the subsidiary centres of commerce and industry in the Territory increased from thirteen in 1959 to twenty-seven in 1960.

### INTERNATIONAL TRADE

For the first time, in 1959, local produce or manufactures were separated from re-exports in the trade statistics. The 1959 and 1960 exports of locally manufactured goods, valued at \$HK995.4 million and \$HK1,070 million, represented 70 per cent and 73 per cent respectively of Hong Kong's total exports. By value, textiles and clothing accounted for 55 per cent of the 1960 domestic exports. A change in the pattern of Hong Kong's entrepôt trade has also taken place. In place of the traditional exchange of goods between the West and East, Hong Kong's re-exports are now concerned mainly with the exchange of the products of one Asian country with those of another.

The value of total imports and exports reached \$HK9,800 million in 1960, an increase of 18 per cent over 1959. Hong Kong's continuous unfavourable balance of trade is made up by income on invisible account, including remittances, exchange, shipping and insurance profits, and expenditure by tourists. In terms of total trade, mainland China continued to be Hong Kong's principal trading partner, and 39 per cent of the Territory's total food imports in 1960 came from that country.

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However, since 1950 Hong Kong's exports to mainland China have steadily declined and in 1960 Hong Kong's exports to mainland China amounted to only \$HK120 million, a little more than 3 per cent of the total exports. Excluding re-exports, Hong Kong's exports to the United States amounted to \$HK745 million in 1960, a rise of 39 per cent over 1959. As the Territory's 1960 imports from the United States totalled \$HK720 million, the trade between Hong Kong and the United States was approximately in balance.

Imports and exports  
 (million Hong Kong dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Imports . . . . .	4,593.73	4,949.37	5,863.69
Exports . . . . .	2,988.80	3,277.54	3,937.71
Principal imports:			
Food . . . . .	1,255.08	1,238.03	1,353.23
Crude materials . . . . .	538.58	536.47	687.46
Manufactured goods (itemized) . . . . .	1,359.34	1,604.39	1,932.05
Machinery and transport equipment . . . . .	354.23	426.50	598.84
Principal exports:			
Food . . . . .	374.31	310.61	310.49
Chemicals . . . . .	233.32	181.22	181.14
Manufactured goods (itemized) . . . . .	986.91	917.52	1,150.03
Miscellaneous manufactured articles . . . . .	980.14	1,380.54	1,778.47

Direction of trade  
 (million Hong Kong dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Origin of imports (principal countries)			
China (mainland) . . . . .	1,396.92	1,034.17	1,185.90
Japan . . . . .	596.99	769.60	941.55
United States . . . . .	439.56	516.68	720.04
United Kingdom . . . . .	530.89	573.72	664.04
Thailand . . . . .	160.29	196.89	207.98
Destination of exports (principal countries)			
United States . . . . .	326.35	591.01	763.37
United Kingdom . . . . .	393.24	462.19	607.81
Malaya <u>a/</u> . . . . .	382.23	380.11	439.52
Japan . . . . .	120.16	231.11	231.01
Indonesia . . . . .	210.75	75.17	153.46

a/ The Federation of Malaya and Singapore. The larger portion of Hong Kong's exports to Malaya, Japan and Indonesia belonged to re-exports.

## SOCIAL CONDITIONS

Hong Kong has no serious problems connected with cultural or race relations, but the provision of adequate social and health services to meet the needs of the recent vast increase in population remains a major task. When the Second World War ended in 1945, the population of Hong Kong had been reduced to 600,000. At the end of 1946 the population had reached its pre-war level of 1,600,000. It rose from 2,000,000 in 1949 to over 3,000,000 in 1960. Against the tide of population growth, the development of social and health services continued to be a struggle.

It is estimated that at least one third of the total population are refugees and that over 83 per cent of the people live in urban areas. Over-crowding remains Hong Kong's basic social problem, which has been aggravated by housing shortages and lack of water supplies. In spite of the continuous efforts of the Government to construct reservoirs, it has not been able to give the population a 24-hour supply of water. Water is under strict control, and for most of the year the water mains are shut off for a large part of the day. In many of the more crowded urban areas, the only source of water supply is from public standpipes. For the great majority, water restrictions constitute a grievous and constant hardship. Two significant steps were being taken in 1960 to improve water supplies: the approval of expenditure for further investigation of the reservoir schemes and for preparation of a detailed report on the integration of all the schemes, and the decision of the Government to accept for the first time supplementary water supplies from mainland China.

### Status of women

More than 98 per cent of the women in Hong Kong are Chinese. Owing to the very diverse economic and social backgrounds which operate among both long-term residents and newly immigrant Chinese, it is difficult to generalize on the status of Chinese women. However, one significant trend is discernible: a rapidly decreasing number of women still cling to the old family system in which marriages are normally arranged by parents. Amongst modern and educated families, the traditional system is being completely replaced by a pattern based on the idea of monogamous marriages freely entered into by husband and wife and formally

contracted before the Registrar of Marriages. Both single and married women are playing a more and more prominent role in public life, in the professions, in commerce and in senior posts in the public service. During the past few years there has been a notable increase in the number and effectiveness of women's organizations which, apart from engaging in educational, social or welfare activities, are also concerned with promoting the status of local women.

### LABOUR AND EMPLOYMENT

Accurate statistics on employment, unemployment and under-employment are not available. In the past decade there was generally a considerable reservoir of unemployed and under-employed workers in the Territory in the unskilled and semi-skilled categories. A significant feature of 1960 was a marked shortage of labour in certain industries, especially in the manufacture of garments and textiles.

Industrial expansion has brought about a significant change in the structure of employment. In 1960, in addition to 234,533 workers (179,997 in 1958 and 217,367 in 1959) in registered and recorded industrial undertakings, there were an estimated 200,000 persons working as out-workers in small-scale cottage and handicraft industries and in the under-employed industrial fringe. The textile industry, including cotton, wool, and silk spinning, weaving and knitting, and the manufacture of wearing apparel, remained the largest employer of industrial labour. In 1960, it employed 108,000 of the total industrial labour force, compared with 97,542 for 1959. The number of workers in other principal occupations in 1960 was estimated as follows: 400,000 (275,000 in 1958) in agriculture and fishing; 160,000 (120,000 in 1958) in building and engineering construction; 46,000 (40,000 in 1958) in government services; and 26,000 (21,000 in 1958) in public transport and communication. Employment overseas is limited to a small group of Territories which permit the recruitment of Chinese workers from Hong Kong. The number of employment contracts for emigrant manual workers officially approved by the Government decreased from 2,054 in 1958 to 1,584 in 1960. Agricultural workers, recruited by the North Borneo Government in 1959 under a special scheme, did not settle down well, and many were repatriated before the end of the initial two-year period.

There are no legal restrictions on the hours of work for men. Under the Factories and Industrial Undertakings Ordinance, 1955, women may not work more than ten hours a day, young persons between the ages of 14 and 16 may work only eight hours, and women and young persons may not work at night or underground. They must have a rest of one-half to one hour after five hours' continuous work. The majority of the male workers employed in local industry normally work ten hours a day, and many male workers in the enamelware industry and cloth-dyeing and other textile concerns work in excess of ten hours a day. Those in government service, and employees of commercial and industrial concerns operated on Western lines, work eight hours a day. New regulations, introduced in January 1959, restricted normal working hours of all women and young persons between the ages of 16 and 18 employed in industry to a maximum of ten in a day, exclusive of overtime and intervals for meals and rest. The introduction of these regulations has increasingly affected the hours of work for men employed in the same industries. Many textile factories have adopted a system of two or three eight-hour shifts. At the end of 1960 over 19,220 men and 13,111 women in ninety-seven cotton textile factories were working eight hours a day.

Following the announcement by the Government in December 1959 of its acceptance of the 1959 Salaries Commission's recommendations for higher rates of pay for civil servants, demands for higher wages were first made in industrial and commercial firms. In 1960, a number of employers granted wage increases comparable with those given by the Government without negotiation, and in most cases compromise settlements were reached after collective bargaining. A change in the wage structure in the Territory occurred without serious industrial trouble.



Workers in registered factories

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Industrial undertakings . . . . .	4,906	5,023	5,599
Workers: Male . . . . .	108,844	122,766	134,146
Female . . . . .	71,153	94,601	100,387

Daily wage range  
(Hong Kong dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Skilled workmen . . . . .	7.00-12.00	7.00-18.00	8.00-21.00
Semi-skilled . . . . .	4.00- 8.00	4.00- 8.00	4.50- 9.00
Unskilled workmen . . . . .	2.50- 6.00	2.50- 6.00	3.00- 7.00

Trade unions and labour disputes

At the end of 1960, there were 315 trade unions on the register (312 in 1958) consisting of 240 workers' unions (238 in 1958), sixty-three employers' organizations (sixty-five in 1958) and twelve mixed unions (nine in 1958). The declared membership of the trade unions increased from 224,207 in 1956 to 247,281 in 1960. The political division of the trade unions is the major factor contributing to the larger number of trade unions and to the multiplicity of trade unions in the same trade or industry.

There were twenty-nine strikes during the year, resulting in the loss of 54,062 man-days, compared with 4,500 man-days in 1959 and 6,999 man-days in 1958. A great deal of the union activity in 1960 was devoted to negotiations over wage increases, but only a few of these developed into disputes. The disputes over Chinese New Year bonuses in fourteen textile mills resulted in strikes.

Vocational training

The principal government institution for technical training is the Hong Kong Technical College; two government secondary schools provide five-year pre-apprenticeship courses. A co-ordinating committee on technical education

and vocational training, which was set up by the Government in 1954, functions under the chairmanship of the Commissioner of Labour. Members of the standing committee include representatives of industry, commerce, and the Departments of Education, Commerce and Industry and Public Works. On the recommendation of the committee, the Government appointed in 1960 an inter-departmental management training publicity committee to assess the need for management training.

The Supervisory Training Section, inaugurated in the Labour Department at the end of 1958 to carry out a training programme, continued to make progress. In 1959, the Labour Department and the University of Hong Kong organized a study course for management on industrial relations. During 1959 and 1960, the Supervisory Training Section offered several courses for trainers and supervisors in job instruction, job methods and job relations under programmes for training within industry.

Vocational training classes are organized by the Marine Department and the Agriculture and Forestry Department for their employees. Craft apprenticeship within the government service is provided by the Public Works Department in the electrical and mechanical workshops. Craft apprentices in government workshops are encouraged to attend the Technical College evening classes for supplementary theoretical training. Several industrial establishments have well-developed systems of apprenticeship, and some industries have schemes for training machine operatives. Local welfare agencies organize some forms of vocational training in order to equip needy persons with some degree of skill to enable them to obtain employment or to make a living on their own.

#### CO-OPERATIVE SOCIETIES

The administrative organization responsible for the promotion and supervision of co-operative societies is the Co-operative Development and Fisheries Department, which was established in 1950. Since then the co-operative movement has made steady progress and is being accepted by an increasing number of persons, particularly peasant farmers and fishermen, as a democratic way of improving their lot. Nearly half of the total membership of the registered societies in 1960 belonged to twenty-two vegetable marketing organizations,

which handled about 70 per cent of locally-produced vegetables marketed through the organization. During the past few years the growth in the number of co-operative building societies represented an interesting development. At present, these societies are formed exclusively by local pensionable officers of the civil service and have been established with funds loaned by the Government. The membership of the co-operative building societies increased from 2,868 in 1959 to 3,334 in 1960. Another significant development was the formation of Better Living Societies in rural communities, whose membership rose from 165 in 1959 to 387 in 1960.

Registered co-operative societies

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Number . . . . .	213	257	308
Membership . . . . .	11,567	14,183	17,072
Reserve fund (Hong Kong dollars) . . . . .	266,106	352,530	493,157

STANDARD OF LIVING

On the basis of a family budget survey in 1948, a monthly retail price index covering a wide range of items found in the normal budget of both industrial and white-collar workers has been published by the Commerce and Industry Department. Taking March 1947 as the base of 100, the index figures for March 1960 were as follows: food, 132; rent, 119; clothing, 92; fuel, 104; and tobacco and cigarettes, 124. The index continued to remain relatively steady. The average monthly figure for 1960 was 121, compared with 126 for 1959. The main groups covered by the index, which were subject to price fluctuations during 1959-1960 were food, clothing, fuel, and tobacco and cigarettes.

TOWN AND RURAL PLANNING AND HOUSING

Planning activities are co-ordinated in the Planning Division of the Crown Lands and Survey Office of the Public Works Department. The Division works in liaison with the Town Planning Board, which consists of five official and three unofficial members, and other government agencies in town planning. The

urban area is divided into thirty-seven planning districts. By the end of 1960, outline development plans had been prepared for thirty-three (twenty-six in 1959) of the thirty-seven districts; eleven of these development plans had been published by the Town Planning Board; and ten of them had been approved by the Governor in Council. Control measures are being introduced in the rural areas with the object of ensuring that all existing and new temporary buildings are covered by a permit from the District Office. Development plans for the New Territories are prepared at the request of the District Commissioner, who consults responsible local opinion in the affected areas before individual plans are approved.

A revision of the Building Ordinance, 1955, which introduced new regulations for sanitation and closer control of natural lighting and ventilation, came into force in 1960. During the year, legislation was enacted by which the provisions of the Building Ordinance were to apply to the New Territories in 1961.

Serious housing shortages remained in spite of the Government's vigorous action in tackling the problem. At the end of 1959, of the urban population of over 2,500,000, some 300,000 were without regular housing, and a high proportion of the remainder were living in conditions of gross overcrowding. Under the Housing Ordinance, 1954, a Housing Authority was set up to provide accommodation for people living in overcrowded and unsatisfactory conditions. The Authority, which is operated as a commercial enterprise with financial assistance from the Government, has a programme for building five large estates at an estimated cost of \$HK163 million, which will contain about 17,600 flats for some 105,300 people. The first and second estates were completed in 1957 and 1959 respectively, and the third and largest estate was under construction in 1960. Several voluntary organizations also provide housing on a non-profit basis for lower-income groups. All these programmes are impressive but fall far short of meeting the needs. Private enterprise, which provides about 10,000 dwellings annually on a profit-making basis, makes the largest contribution to the accommodation available.

The squatter problem, created by the influx of refugees, remained unsolved. The Resettlement Department set up in 1954 to control and resettle squatters has built 114 multi-storey resettlement blocks for nearly 300,000 squatters

at a total capital cost of more than \$HK13.5 million. In addition, several hundred cottages have been built for some 85,000 squatters at a total cost of over \$HK12 million. In October 1960, a fresh survey of squatter areas showed that there were still about 530,000 squatters living in the areas surveyed. Squatters living in unsurveyed areas are believed to number about 75,000. Plans are under consideration for construction of more resettlement blocks in order to clear 100,000 persons a year.

#### SOCIAL SECURITY AND WELFARE

There are no general schemes of social security financed from funds built up over a period of years by tripartite contributions from employers, workers and the Government, nor are there any general schemes for the provision of unemployment and old age benefits. To take a major part in social welfare work, the Government created in 1948 a Social Welfare Office as a sub-department of the Secretariat for Chinese Affairs. In 1958, the Social Welfare Office became a fully fledged department, entirely separated from its parent body, and such statutory functions and powers as the protection of juveniles and adoption were transferred from the Secretary for Chinese Affairs to the Director of Social Welfare.

The Department of Social Welfare has functional divisions concerned with child welfare, youth work, moral welfare, probation, the care of the handicapped and public assistance. In dealing with the social problems resulting from poverty, unemployment and under-employment, overcrowding and the lack of regular housing for some half a million more squatters, the Department maintains a very close liaison with the many religious, charitable and voluntary organizations engaged in welfare activities. Over 100 of these bodies are federated under the Hong Kong Council of Social Service, which co-ordinates their activities and promotes the formation of new organizations to deal with new problems. Social welfare projects initiated by the Council of Social Service during the period under review include the Resettlement Estates Loan and Saving Association, an employment assistance service and a scheme to help solve the perennial beggar problem aggravated by the influx of refugees. Increasing

attention is being given by voluntary organizations and the Government to the rehabilitation of handicapped persons. In May 1960, the Director of Social Welfare appointed a working party to examine the co-ordination of plans for the training and employment of handicapped persons.

With the growth in welfare services and activities of both the voluntary organizations and the Government, the demand for more highly trained and skilled workers continues to exceed the supply. The University of Hong Kong offers two courses for the training of social workers: a one-year diploma course for graduates and a two-year certificate course for non-graduate students who fulfil the University matriculation requirements. Four of the six post-secondary colleges offer major studies in sociology, which include some social work. In 1959, the Department of Social Welfare ran a six-months' in-service training course for its own newly appointed staff. In co-operation with the Hong Kong Council of Social Service, the Department started in 1960 a new full-time six-months' course to train students with a secondary school education, who would then be available for employment. In order to strengthen the existing facilities for training social workers the Government in 1960 requested from the United Kingdom Committee for the World Refugee Year a substantial grant for social work training. With the grant from this Committee and under the aegis of the Social Welfare Department, an eminent authority on social work training from the United Kingdom surveyed the existing situation in Hong Kong in August 1960 and made recommendations for the revision of the university and post-secondary college courses, with integrated practical training, and for the introduction of systematic in-service courses in order to extend opportunities for a career in social work and to raise standards of achievement.

#### COMMUNITY DEVELOPMENT

With encouragement from the social welfare officers, unofficial neighbourhood associations known as the kaifong have played a useful role in the community development. In addition to providing emergency relief and establishing free schools and free clinics for needy persons, the kaifongs conduct adult education classes and provide recreational and library facilities. In 1960 there were over thirty kaifong welfare associations with a membership of over 400,000.

The resettlement of hundreds of thousands of squatter immigrants in large estates of multi-storey tenements has presented a problem in practical community development. Each of these large resettlement estates can house from 20,000 to 75,000 people, and constitutes a densely populated community by itself. The majority of the settlers are recent immigrants, strangers to the Territory and to each other; as part of the process of integration, the Social Welfare Department plans to administer community centres for each of the larger estates. The first of these four-storey centres was built and opened in 1960 at Wong Tai Sin Resettlement Estate at a cost of \$HK1,150,000 donated by the United States Government in reply to the World Refugee Year appeal. Four voluntary welfare organizations have been allotted accommodation in this centre to run vocational and trade training courses, group work with young people, family case-work and a day nursery for children of working mothers. From the United Kingdom World Refugee Year donation three community centres, each to cost over \$HK 1 million, will be constructed. The second centre was scheduled to open in 1961 at Tsuen Wan, the rapidly growing industrial town in the New Territories.

PREVENTION OF CRIME AND TREATMENT OF OFFENDERS

In face of the steady growth of the population and urbanization there has been a lessening of crime. The number of cases of serious crimes known to the police continued to decrease during 1960, and the trend towards reduction can be attributed to a number of factors, including closer integration of the refugee immigrants with the local community, fuller employment, preventive action against criminal elements, especially the criminal secret societies or triads, and increased supervision of habitual criminals.

Crime statistics

	<u>Number of cases</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Reports of serious crime . . . . .	16,911	18,522	14,081
Resulted in arrest and prosecution . .	12,033	14,434	9,665
Percentage of crime detected . . . . .	71%	78%	69%

## PUBLIC HEALTH

Statutory responsibility for the administration of public health services lies jointly with the Director of Medical and Health Services, the Urban Council, the Director of Urban Services, the District Commissioner of the New Territories and the Commissioner of Labour. The Public Health and Urban Services Ordinance, 1960, provides for gradual transfer of powers and functions concerning environmental and food hygiene in the rural areas from the District Commissioner of the New Territories to the Director of Urban Services.

Hospitals and clinics, maintained by the Department of Medical and Health Services, provide, either free or at low cost, medical and health services to a large section of the community, which is unable to obtain medical attention and care from private sources. In 1960 there were altogether 8,090 hospital beds available for all purposes. Of these beds, one-third are in government hospitals and institutions, one-fifth are provided by private organizations and the rest are in government-aided hospitals. Excluding beds specially assigned to the treatment of tuberculosis and leprosy and to the care of the mentally ill, there were 5,291 beds in 1960 for all general purposes. This gave a ratio of 1.77 beds per thousand of the estimated population.

Against the background of overcrowding, the shortage of housing and water supply, and the lack of modern health education, the general health of the Territory remained remarkably good. For the eighth year in succession there were no cases of the six quarantinable diseases, which are the subject of control under International Sanitary Regulations. The incidence of both diphtheria and enteric diseases, which had caused concern in 1959, fell appreciably in 1960. In urban areas malaria has been brought under control by continuous anti-larval operations against anopheling breeding. But in the New Territories, where the wet cultivation of rice is practised and through which the majority of the immigrants enter the Territory, malaria control is not yet possible either by anti-larval or quarantine measures. Tuberculosis remained the major health problem. About 2 per cent of the adult population were believed to have the disease in an active form. The conditions of overcrowding and the limited hospital beds available for tuberculosis patients make it difficult to apply



effective measures of control. To protect the most vulnerable section of the community, the infants, vaccination with BCG is offered free throughout the Territory to all new-born infants. During 1960, almost 72 per cent of the children born were given this protection within two or three days of birth. The tuberculosis death-rate declined from 208 per 100,000, the highest in 1951, to 76.2 per 100,000 in 1959 and 69.9 per 100,000 in 1960. During the period under review the infant mortality-rate also showed an appreciable decrease.

Expenditure

Excluding the sanitary services under the Urban Services Department and Urban Council, the actual expenditure of the Medical and Health Department increased from \$HK34,864,883 in 1957/1958 to \$HK39,792,228 in 1958/1959 and \$HK45,925,081 in 1959/1960. For the same period, the sanitary expenditure of the Urban Services Department and Urban Council rose from \$HK20 million to \$HK23 million and \$HK28 million. In addition, medical subventions increased from \$HK9.7 million in 1957/1958 to \$HK14 million in 1958/1959 and \$HK19 million in 1959/1960. The largest subvention was made to the Tung Wah Hospital, an entirely Chinese charitable organization operating four hospitals in the Territory.

Medical and health staff

	<u>1958</u>		<u>1959</u>		<u>1960</u>	
	<u>Government</u>	<u>Private</u>	<u>Government</u>	<u>Private</u>	<u>Government</u>	<u>Private</u>
Registered and official physicians . . . . .	291	694 <sup>a/</sup>	320	761 <sup>a/</sup>	222 <sup>b/</sup>	779 <sup>a/</sup>
Registered dentists . . . . .	33	355	34	353	42	351
Registered nurses . . . . .	941	969	995	1,073	699 <sup>b/</sup>	1,041
Registered midwives . . . . .	146	916	161	970	673	1,032
Registered pharmacists . . . . .	7	63	8	68	20	70

<sup>a/</sup> Including provisionally registered physicians.

<sup>b/</sup> Information on the sharp decrease in the number of government physicians and nurses is not available.

Institutions

	<u>Number</u>			<u>Beds</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
Government hospitals . . . . .	12	12	14	2,198	2,212	2,432
Government-aided hospitals . . . . .	10	10	11	3,593	3,664	3,771
Private hospitals . . . . .	9	9	8	1,106	1,678	1,683
Public dispensaries . . . . .	13	14	17	124	148	204

EDUCATIONAL CONDITIONS

Education is neither compulsory nor free; it is under the general control of the Director of Education, who is chairman of the Board of Education which has statutory powers to advise the Government on educational matters. Apart from the chairman, the membership of the Board is now entirely unofficial. During 1960 the Board devoted special attention to legislation for post-secondary colleges and the planning of future educational expansion.

Private schools outnumber government and government-aided schools. During 1960, the Government maintained directly seventy-three (sixty-six in 1959) primary schools, eleven (eight in 1959) secondary schools, two technical secondary schools, two teacher-training colleges, a technical college and four evening institutions. The Government gives financial and material aid to grant and subsidized schools under the terms of the Grant and Subsidy Codes. The grant schools are concerned mainly with secondary education while the subsidized schools are mainly primary establishments, more than half of which are in the New Territories. On the basis of the medium of instruction, schools are classified as Chinese, English and Anglo-Chinese institutions. Primary education is of six years' duration and in Chinese schools begins at the age of six years and in English schools at the age of five years. English is studied from the third year in the majority of Chinese primary schools.

The Government's seven-year plan for the expansion of primary education, instituted in 1954 with the aim of providing places for all children of primary school age by the end of 1961, passed its target of 215,000 additional places during the first quarter of 1960, with 219,000 places. However, as the original

target of 215,000 places was a minimum figure based on registered births and deaths and took no account of immigration, there still remains a need for more places in order to admit all children of primary school age. In 1960, the number of children of school age was estimated at 777,000, about 1 per cent of whom were non-indigenous.

The influx of students and university staff during 1947-1950 from mainland China resulted in the establishment of several post-secondary colleges in Hong Kong. Since the formation of a joint council in 1957, these Chinese colleges have played a more important role in post-secondary education. The Post-Secondary Colleges Ordinance, 1960, was enacted to give statutory status to these Chinese colleges and to assist them to achieve recognition at a higher level. During 1960 three of these colleges were admitted to government aid under new grant regulations, which also provide joint entry examinations controlled by a Joint Entry Examination Syndicate and a Joint Establishment Board to advise the Director of Education on teaching establishments and teacher gradings. These Chinese colleges held their first joint entry examination in August 1959; 804 candidates sat the examination and 374 satisfied the requirements for entrance. During 1960 over 1,100 candidates sat for the examination and 497 passed.

The University of Hong Kong, which was founded in 1911 as a residential university and has since been supported mainly by the financial assistance of private benefactors and grants from the Government, has four faculties: Arts, Science, Medicine, and Engineering and Architecture. Including the post-graduate students, the enrolment of the University increased from 911 in 1958 to 1,407 in 1960. The Government and the University have agreed on a programme of expansion, which will raise the number of undergraduates to about 1,800 by 1966. The students pursuing higher education in the United Kingdom and the Republic of Ireland increased from 1,356 in 1958 to 1,846 in 1960. During the year the numbers of Hong Kong students known to have left for higher education in the United States, Canada and Australia were 1,060, 180 and 711 respectively.

#### Expenditure

For the school year from 1 August to 31 July, government expenditure on education increased from \$HK65,373,568 (12 per cent of the total expenditure)

in 1958 to \$HK82,429,120 (13 per cent of the total expenditure) in 1959 and \$HK104,650,512 in 1960 (11 per cent of the total expenditure). The 1960/1961 estimate of expenditure on education was \$HK126 million or 13.7 per cent of the total expenditure.

	<u>Schools</u>								
	<u>1957/1958<sup>a/</sup></u>			<u>1958/1959<sup>a/</sup></u>			<u>1959/1960<sup>a/</sup></u>		
	<u>Govt.</u>	<u>Aided</u>	<u>Indepen- dent</u>	<u>Govt.</u>	<u>Aided</u>	<u>Indepen- dent</u>	<u>Govt.</u>	<u>Aided</u>	<u>Indepen- dent</u>
Primary <sup>b/</sup>	42	382	894	53	389	1,002	71	411	1,131
Secondary <sup>c/</sup>	12	34	242	12	33	277	11	36	239
Post-secondary <sup>d/</sup>	4	-	16	5	-	16	6	3	10
	1,626			1,787			1,918		

<sup>a/</sup> 1958/1960 figures on schools, pupils and teachers are based on Hong Kong: Educational Department, Triennial Survey 1955-58, pp. 91-92; Educational Department, Annual Summary 1958-59, pp. 23-27; Ibid. 1959-60, pp. 21-26.

<sup>b/</sup> Figures include kindergartens; schools providing both primary and secondary departments are considered separate schools for each level.

<sup>c/</sup> Including vocational schools.

<sup>d/</sup> Including teacher training. In addition to the University of Hong Kong there were over ten Chinese colleges, three of which have been admitted to government aid under new grant regulations.

	<u>Pupils</u>					
	<u>1957/1958</u>		<u>1958/1959</u>		<u>1959/1960</u>	
	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>
Primary . . . . .	146,129	110,722	188,855	144,410	212,708	166,131
Secondary . . . . .	37,807	23,518	42,313	26,472	45,052	29,061
Post secondary:						
Teacher training . .	471	644	584	634	927	1,031
Other vocational . .	5,177	309	5,114	351	5,550	569
General	2,085	948	2,424	1,267	2,543	1,367
Total <sup>a/</sup>	327,810		412,424		464,939	
Higher education:	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>
In Hong Kong						
University . . . . .	642	269	923	343	1,036	371
In the United Kingdom . . . . .	1,356		1,687		1,846	

a/ Excluding students in the Evening Institute, adult classes and special afternoon classes.

	<u>Teachers</u>					
	<u>1957/1958</u>		<u>1958/1959</u>		<u>1959/1960</u>	
	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>
Primary . . . . .	3,977	5,663	4,375	6,627	4,891	7,657
Secondary . . . . .	2,094	882	2,176	1,025	2,216	1,108
Post secondary . . . . .	360	60	404	60	415	48
Total	13,036		14,667		16,335	

#### CULTURAL INSTITUTIONS AND MASS COMMUNICATIONS

There is neither a publicly-owned general library nor a museum in the Territory. However, special libraries are maintained by the University of Hong Kong, the Education Department, the British Council, the United States Information Service and the local chambers of commerce. During the year, 603 volumes were added to the Education Department Library, bring the total number of books to 7,924 including 585 in Chinese. Nine adult education and recreation

centres under the Education Department provide both education and recreation for men and women from the lower income groups, and their educational programmes include special instruction in art, music, dramatics and folk-dancing.

At the end of 1960, 191 periodicals and magazines (187 in 1959) were listed by the Registrar of Newspapers. Thirty-eight of these (thirty in 1959) were daily newspapers: four in English and thirty-four in Chinese. A rough estimate places the total circulation of the Chinese daily newspapers at half a million. As with daily newspapers, the leading publications in the magazine field are all Chinese.

International news agencies, including Reuters, the Associated Press of America, United Press International and the Agence France Presse, maintain full-scale bureaux in Hong Kong. During 1960, the Information Services Department of Hong Kong expanded its scope and range of official publicity both locally and overseas. The Department's output of news, feature articles and photographs showed a notable increase, and there were greater demands on the Department's senior personnel by visiting journalists, broadcasters and television personalities. In August 1960, an information officer was appointed to the Hong Kong Government Office in London.

During 1960, the most important development for Radio Hong Kong, a government broadcasting station, was the installation of the new Very High Frequency/Frequency Modulation networks for both the English and Chinese services. The hours of the English service were extended from over eight to seventeen hours a day, bringing the English and Chinese services into line. Since the inauguration of commercial services in early 1959, Radio Hong Kong has been sending out programmes over its English and Chinese transmissions for seventeen hours daily. At the end of 1960 there were 120,151 radio licences, an increase of 25,251 over the 1959 figure. This compared favourably with what was considered to be a remarkable increase of 23,269 in 1959.

Rediffusion (Hong Kong) Ltd. provides a popular wired broadcast service in both English and Chinese throughout the Territory. The first television services started by Rediffusion (Hong Kong) Ltd. in 1957 have been growing in popularity and quality; the number of subscribers increased from 2,500 in 1958 to 4,000 in 1959 and nearly 7,000 in 1960. Most of the television staff are locally trained Chinese.

NORTH BORNEO

AREA AND POPULATION

The Territory, with an area of 29,388 square miles (76,115 square kilometres), occupies the whole of the northern portion of the island of Borneo; its immediate neighbours are Brunei and Sarawak.

The preliminary figures of the 1960 census record a total population of 454,421. This shows an increase of 36 per cent over the 1951 census and compares with an increase of 20 per cent between 1931 and 1951 census figures. The Dusuns remain the largest community in the Territory; the Chinese community is the second largest.

Population census

Ethnic composition	<u>1951</u>	<u>1960</u>
<u>Indigenous:</u>		
Dusun . . . . .	117,867	154,229
Murut . . . . .	18,724	22,138
Bajau . . . . .	44,728	59,710
Others . . . . .	61,690	79,421
Chinese . . . . .	74,374	104,542
European . . . . .	1,213	1,896
Others . . . . .	15,545	41,485
Total	<u>334,141</u>	<u>454,421</u>

Vital statistics

	<u>1957</u>	<u>1958</u>	<u>1959</u>
Birth-rate per thousand population	20	39.5	31.9
Infant mortality rate per thousand live births	136	58.2	65.3
Death-rate per thousand population	15.5	7.9	7.7

GOVERNMENT

Public Service

At the end of 1960 the Public Service of North Borneo was composed of 200 overseas officers and 3,848 local officers divided into three categories: (1) administration, professional heads of department grades; (2) executive and higher technical grades; and (3) clerical and minor technical grades. Twenty local officers held appointments in the first and 234 in the second grade. Of the 200 overseas officers, 178 held the top-grade posts and twenty-two, the executive and higher technical posts.

In the local government, the first local-born administrative officer was appointed in 1957 and the second was promoted in 1960. With these two exceptions, all district officers are expatriate personnel although the majority of assistant district officers are locally recruited.

Training facilities

The recommendations of the Standing Advisory Committee on Training, which had been appointed in 1959 to review North Borneo's internal and external training programmes, were accepted by the Government in 1960. These recommendations constitute a broad guiding programme for the training of government officers and certain young people not in government employment; the total cost of the programme is estimated at over \$M5 million<sup>10/</sup> to be financed by local sources, Colonial Development and Welfare funds and possibly Colombo Plan assistance. The principal schemes for internal training in the programme include an In-Service Training Centre for clerical staff and training schools for technical staff of the Departments of Forestry, Agriculture and Posts and Telegraphs. Provision has been made for the building of a permanent In-Service Training Centre, and in-service training courses for members of the Public Service were scheduled to begin in March 1961. A scheme to exchange training facilities with the Government of Sarawak is being provided.

The largest single scheme for external training is for sending forty-two English and Chinese-medium teachers on three and four-year university courses.

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<sup>10/</sup> The local currency is the Malayan dollar (\$M) which is equal to 2s.4d. or \$US0.327.



From 1953 to December 1960, members of the Public Service who had been sent on study leave courses in the United Kingdom and elsewhere totalled 248. Of the total, fifty-six studied engineering and twenty-six studied medicine.

#### ECONOMIC CONDITIONS

The economy of North Borneo is dependent on exports, mainly of rubber, timber and copra. However, attempts are being made to diversify the economy by the introduction of new crops and by mineral exploitation.

The need for planned development of North Borneo's natural resources has become increasingly evident. A development plan emphasizing capital works rather than social services and involving an expenditure of \$M71 million was approved in December 1959 for the period 1959-1964. In December the Government allocated \$M2.3 million for the comprehensive survey of land, water and mineral resources in the Labuk Valley, to be carried out with the assistance of the United Nations Special Fund. In opening up the Labuk Valley, the Government hopes, among other things, to develop and exploit mineral resources.

With the continuous demands for North Borneo's principal exports, 1960 proved to be another good year in the economic field. Total external trade in 1960, valued at \$M418.5 million, was the highest ever recorded and exceeded the total for 1959 by \$M85.4 million. The value of the 1960 timber exports reached \$M90.7 million, compared with \$M61.1 million in 1959 and \$M36.4 million in 1958. For the third year in succession the value of timber exports exceeded that of rubber. The volume of rubber exports fell slightly in 1960 but, owing to high prices especially in mid-year, the value of \$M49.5 million was \$M2.5 million higher than in 1959. Copra held third place with total exports valued at \$M40.2 million, compared with \$M35.1 million for 1959. The continued economic development of the Territory was reflected also in the increase in the imports of machinery, petroleum products and vehicles. The value of machinery imports increased from \$M12 million in 1958 to \$M20 million in 1959 and \$M30 million in 1960.

The steady economic growth in 1960 resulted once again in a revenue surplus, which made possible a transfer of \$M15 million from the ordinary budget to the

Development Fund. Under the Development Plan, 1959-1964, it was estimated that \$M61 million would be available for the period. The 1960 outturn and expectations for 1961 made possible the preparation of revised plans based on the availability of a further \$M17 million, making a total of \$M78 million for development.

No statistics of private investment and private monetary savings are available. Under the terms of the Pioneer Industries Ordinance, private enterprise is encouraged by exemption from the payment of export duties on cocoa, palm oil and kernels, and hemp within the specified periods of time. During 1960, the Government approved agricultural and industrial projects proposed by foreign individuals and firms, involving a capital investment of \$M8.9 million. Loans issued by the North Borneo Credit Corporation to permanent residents for the development of small local enterprises amounted to \$M8.89 million in 1960, compared with \$M819,000 for the previous year.

#### LAND, AGRICULTURE AND LIVE-STOCK

The greater part of North Borneo is still uninhabited jungle. The relatively small population and the resulting difficulty in communications have restricted agriculture in the past; only 5 or 6 per cent of the total area of 29,388 square miles is under cultivation. Recent soil surveys have revealed the existence of considerable areas of fertile land and irrigation schemes to increase the acreage of agricultural land have been drawn up jointly by the Department of Agriculture and the Irrigation and Drainage Branch of the Public Works Department. In addition, a settlement scheme covering 100 square miles for small-holder cultivation of rubber and rice has been started at Keningau and an agricultural development plan has been drawn up for the Semporna Peninsula.

Land reserved solely for use by indigenous persons amounted to 45,382 acres in 1960, compared with 45,268 in 1959. Excluding Native reserves, the area under Native Title increased from 135,400 acres in 1958 to 143,107 acres in 1959 and 150,525 acres in 1960. Excluding town areas, the non-indigenous inhabitants held leases for about 555,791 acres in 1960, compared with 543,703 acres for the previous year. About 205,000 acres of the total area leased to the non-

indigenous persons were owned by Europeans, the balance being occupied by Asians. The European-owned land is generally used for such large-scale commercial crops as rubber, tobacco and hemp, while the land occupied by Asians is generally used for rubber, coco-nuts, rice and vegetable gardens.

Rubber remains the most important crop and production was maintained at a high level in 1960. The acreage under rubber increased from 149,000 in 1958 to 161,000 in 1959 and 172,000 in 1960, of which 40 per cent was planted with high-yielding material. The Rubber Fund Board, with funds derived from a cess on all exported rubber, continued to produce high-yielding material for distribution to estates and small holders.

Owing to favourable weather conditions and the development of irrigation schemes, the 1959/1960 padi crop was the best on record, with an estimated yield of 64,900 tons (equivalent to 40,200 tons of rice). The percentage of production to consumption increased from 57 in 1958 to 66 in 1960.

The area under coco-nuts continued to increase and interest in the cultivation of new crops remained active. The area under cocoa reached 2,800 acres in 1960, almost double the 1959 figure. The total area under oil palms at Mostyn Estate increased to 1,050 acres.

Agricultural stations are maintained at seven centres. With a grant of £181,000 in 1959 from the Colonial Development and Welfare funds, a good start has been made with the development of a central research station at Tuaran and a cocoa research station at Tawau.

Following the visit of a FAO expert in 1959 and early 1960, planning of the agricultural census of North Borneo and Sarawak on a sample basis was undertaken. The first pilot census, conducted in Jesselton District in 1959, and the second, taken at Tuaran in 1960, provided useful data for the outline of the full census.

Principal crops

	<u>Area</u>			<u>Production<sup>a/</sup></u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
	(thousand acres)			(thousand long tons)		
Rubber . . . . .	149	161	172	20.2	22.9	22
Rice . . . . .	75	77	77	29	34.5	40
Copra . . . . .	48	48	51	67	59	79.6
Hemp . . . . .	4	4	4	2	3	3.7

<sup>a/</sup> Except for rice, figures relate to exports only. The figures for copra include exports. /...

Live-stock  
(estimates in thousands)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Buffaloes . . . . .	100	100	100
Cattle . . . . .	30	25	25
Pigs . . . . .	150	100	100
Goats . . . . .	30	25	25
Horses . . . . .	4	4	4
Poultry . . . . .	4,500	4,000	4,000

In 1960, the number of animals slaughtered in local abattoirs was: cattle, 1,396; buffaloes, 4,397; and pigs, 38,982. Under the auspices of the Colombo Plan, an Australian expert in artificial insemination visited North Borneo early in the year to experiment with the introduction of European cattle breeds by means of deep frozen semen from Australia.

FORESTRY

About 80 per cent or some 23,600 square miles of the total area remains under forest. Its reserves increased from 3,222 square miles in 1958 to 3,578 square miles in 1959 and 4,105 square miles in 1960, or about 14 per cent of the total area of the Territory. Steps have been taken for the reservation of a further 2,709 square miles of forest. When this programme is completed, over 23 per cent of the total land area of North Borneo will have been constituted reserved forest.

During the past decade the timber industry has steadily expanded. In 1960 it consisted of four large overseas concessions, eight local firms working on special licence as a preliminary to the conclusion of concession agreement, and about sixty small local firms operating under annual licence. About 74 per cent of the total timber output was produced by existing and prospective concession holders.

There were sixty-one sawmills in operation, an increase of three over 1959. During 1960, one veneer mill commenced production and produced over 9 million square feet of veneer. There was a notable increase in the production of timber in 1960, which rose by about 37 per cent over the 1959 production to a record

figure of 59.6 million cubic feet. Timber exports rose from 25,339,279 cubic feet, valued at \$M32,771,103, in 1958, to 38,445,343 cubic feet, valued at \$M57,393,045, in 1959, and 49,111,807 cubic feet, valued at \$M86,173,972, in 1960. Japan, Hong Kong and Australia continued to be the largest consumers followed by Italy which displaced Taiwan as the next largest consumer.

The Forestry Department's new research programme was initiated in January 1960. An attempt has been made to decentralize research work by allotting specific tasks to district forest officers.

There is a forestry school at Sandakan, which gives both primary and refresher courses. During 1960, four junior officers of the Forestry Department attended an annual course at the Forestry School in the Federation of Malaya; a senior officer visited Japan and Hong Kong to study timber grading procedure and markets; and the Department acted as host to the second part of an FAO training course in aerial forest inventory.

	<u>Production</u> (thousand units)		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Timber (cubic feet) . . . . .	32,027	43,346	59,647
Firewood (piculs) <sup>a/</sup> . . . . .	988	1,507	1,187
Charcoal (piculs) . . . . .	23	33	34
Cutch (tons) . . . . .	3.8	3.7	4

a/ One picul is equal to 133.33 pounds.

#### FISHERIES

Increased interest has been shown by overseas fishing concerns in the waters around North Borneo. During 1960 two commercial firms investigated prawning grounds. The export value of marine products was \$M1.8 million, compared with \$M1.5 million in 1959.

The Department of Agriculture maintains a central breeding station at Tuaran to encourage pond-fish culture. In 1960, eighteen fish ponds covering six acres were constructed, bringing the total to 678 with a total water area of fifty acres. Total production from fish ponds increased from fifteen tons in 1958 to eighteen tons in 1959 and twenty tons in 1960.

During the year a fisheries officer was granted a fellowship by the Natural Science Foundation to study in the United States.

MINING

Mineral resources, which are viewed with some hope of economic development, include chromite, copper and nickel ores, limestone, asbestos, coal and peat. Prospecting by mining companies has increased with particular attention being paid to chromite, copper and nickel. The Shell Company of North Borneo continued its geological and geophysical work in the search of oil but no exploration wells were drilled. The only mineral production was of stone and building materials.

POWER AND INDUSTRY

Industry is confined mainly to the processing of raw materials, building construction and transport. There are no manufacturing industries.

Since 1957 the North Borneo Electricity Board, a statutory body established under Ordinance No. 27 of 1956, has been responsible for the provision and maintenance of electric power throughout the Territory. By the end of 1960 the Board was supplying electricity to the ten major towns. In other towns electricity was supplied by private enterprises under licence. The following figures show the increase in the Board's growth.

Production and sales of electric power

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Installed capacity (kw) . . . .	3,602	5,694	7,849
Consumers . . . . .	3,319	6,462	7,163
Units sold (kwh) . . . . .	3,781,500	9,490,107	13,744,439

TRANSPORT AND COMMUNICATIONS

The lack of good communications in a Territory still largely covered by forests and broken by rivers and mountain ranges remains a major problem. The importance of communications in economic development was recognized by the

appointment in 1959 of an economist from Oxford University to advise North Borneo on its communications requirements. Based on his report, a five-year development plan for road-building was adopted in July 1960, and work was started during the year.

The Government owns and operates a railway system of some 116 miles, which serves much of the west coast and part of the interior. On the basis of the economic expert's report on transport requirements, it was agreed that sooner or later the railway system should be replaced or supplemented by roads and road transport and that during the current development period (1959-1964) it could not be replaced by a road system, although certain sectors of the railway should be closed.

The principal ports are Sandakan, Labuan, Tawau and Lahad Datu, in that order. Owing mainly to the steady rise in timber and copra exports, the volume of shipping entering and clearing from these ports continued to increase. The Development Plan, 1959-1964, provides for a new wharf with a new port area in Labuan, which enjoys "free port" status. Notable progress was made on the project during 1960.

The Department of Civil Aviation and Meteorological Services, which is a unit of the Unified Directorate of Civil Aviation for British Borneo, is responsible for the control and management of all airfields and meteorological stations in North Borneo. Borneo Airways, Ltd. operates internal air services in North Borneo, Sarawak and Brunei. External services to Singapore are operated daily by Malayan Airways, Ltd. During 1960, considerable improvement work was carried out at the international airport in Labuan, which was closed to all large aircraft.

	<u>Roads and vehicles</u>		
	(miles)		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Metalled roads with bituminized surface . . . . .	217	229	233
Other metalled roads . . . . .	78	70	80
Earth roads . . . . .	<u>427</u>	<u>462</u>	<u>456</u>
Total	722	761	769
Motor vehicles (number) . . . . .	5,725	7,044	8,165

Railway traffic

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Passengers . . . . .	641,238	655,196	708,710
Freight (tons) . . . . .	51,695	48,337	48,560

Sea-borne traffic

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Total gross tonnage of vessels entered and cleared . . . . .	6,826,949	7,560,572	9,512,673
Cargo handled in tons . . . . .	1,234,676	1,569,237	1,860,587
Passengers:			
Disembarked . . . . .	59,164	55,970	74,753
Embarked . . . . .	48,853	46,988	62,460

International air traffic

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Passengers:			
Embarked . . . . .	25,253	19,828	13,414
Disembarked . . . . .	22,715	19,672	13,354
Freight (kilos):			
Picked up . . . . .	195,732	114,336	77,171
Delivered . . . . .	281,480	276,745	200,724

Telecommunications

A considerable improvement has been made in telephone communications. Since the inauguration of multi-channel VHF radio-telephone trunk circuits in 1958, it has been possible to speak by telephone to all centres of the Territory. During 1960, the demand for trunk telephone calls and for new telephone installations was greater than in any previous year. The number of trunk circuits was sixty-one, compared with forty-four in 1959. The number of telephones connected to public exchanges rose from 2,411 in 1958 to 2,786 in 1959 and 3,320 in 1960. New telephone exchanges were opened in a number of the less-developed areas.



The Posts and Telegraphs Department operates an internal telegraph network, which consists of teleprinter circuits linking Jesselton to Sandakan and Labuan, and external telegraph circuits linking Jesselton with the principal towns of Sarawak and Brunei. Overseas telegraphic communication to the rest of the world is provided by Cable and Wireless, Ltd., from their Jesselton office both by radio and by undersea cable routes.

PUBLIC FINANCE

The fiscal year coincides with the calendar year and the annual budget is divided into two parts: ordinary revenue and expenditure, and the development budget. During the period under review, ordinary revenue exceeded expenditure and buoyant revenue enabled substantial sums, in addition to those voted in the estimates, to be transferred to the Development Fund from the ordinary budget. In the financing of the Development Plan, 1959-1964, a satisfactory position has been achieved without additional taxation. The public debt at the end of 1960 was \$M35 million, compared with \$M25 million for 1959, representing Colonial Development and Welfare loans.

Revenue and expenditure  
(thousand Malayan dollars)

	<u>1958</u> (actual)	<u>1959</u> (actual)	<u>1960</u> (estimate)
Revenue:			
Ordinary . . . . .	37,584	46,184	58,184
Development . . . . .	<u>20,365<sup>a</sup></u>	<u>13,614</u>	<u>25,904</u>
Total	57,949	59,798	84,088
Expenditure:			
Ordinary . . . . .	36,660	42,514	57,435
Development . . . . .	<u>25,362</u>	<u>12,511</u>	<u>17,160</u>
Total	62,022	55,025	74,595

Revenue and expenditure (cont'd)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
<b>Major heads of revenue:</b>			
Customs . . . . .	19,061	23,300	28,680
Licences and internal revenue . .	5,134	5,098	7,597
Forests . . . . .	3,054	3,988	6,240
Lands . . . . .	1,000	1,355	1,362
Colonial Development and Welfare grants . . . . .	4,880	2,719	5,770
<b>Major heads of expenditure:</b>			
Public works Department and recurrent <u>b/</u> . . . . .	5,416	7,811	9,361
Medical . . . . .	3,142	3,468	3,971
Education . . . . .	2,209	2,599	3,618

a/ Excluding \$M5.5 million which was transferred from ordinary revenue to the development budget during 1958.

b/ Public works non-recurrent is under development expenditures.

Development expenditure  
 (thousand Malayan dollars)

	<u>1958</u> (actual)	<u>1959</u> (actual)	<u>1960</u> (estimate)
Harbours . . . . .	474	781	1,267
Lands and surveys . . . . .	278	432	676
Marine . . . . .	336	101	222
Miscellaneous services . . . . .	5,566	30	349
Posts and telegraphs . . . . .	1,562	761	682
Public works . . . . .	10,750	5,586	7,447
Railways . . . . .	778	563	161
Agriculture . . . . .	206	790	852
Broadcasting and information . . .	7	11	129
Civil aviation . . . . .	1,986	933	1,150
Education . . . . .	2,162	1,685	2,066

Development expenditure (cont'd)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Forests . . . . .	8	33	43
Medical . . . . .	947	754	365
Housing . . . . .	-	50	50
Electricity . . . . .	<u>300</u>	<u>-</u>	<u>1,700</u>
Total	25,360	12,510	17,159

## BANKING AND CREDIT

In 1960 there were two banks (the Honk Kong and Shanghai Banking Corporation and the Chartered Bank) operating in North Borneo. The currency in circulation consists of notes and coins issued by the Board of Commissioners of Currency, Malaya and British Borneo. At the end of the year it was estimated to be \$M102.6 million.

## INTERNATIONAL TRADE

The Department of Trade and Customs exercises supervision over trade. During 1959, the restrictions in force during previous years on direct imports of goods from the United States and dollar countries were eased considerably and in 1960 only a few items remained subject to import licensing. The import of goods from Japan also requires import licensing. Rice is the only foodstuff subject to import control.

The 1960 favourable balance of visible trade amounted to \$M26.7 million which was the highest credit balance since the rubber boom in 1951.

Imports and exports  
(million Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Total imports . . . . .	128.4	155.5	195.9
Total exports (including re-exports)	130.4	177.6	222.6

Imports and exports (cont'd)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Principal imports:			
Machinery . . . . .	11.7	20.1	30.0
Provisions . . . . .	16.5	17.3	22.3
Tobacco, cigars and cigarettes. .	9.8	9.7	12.8
Rice . . . . .	10.0	7.9	8.4
Textiles and apparel . . . . .	5.3	6.1	9.2
Building materials . . . . .	3.1	2.8	2.8
Principal exports:			
Timber (logs and sawn) . . . . .	36.4	61.1	90.7
Rubber . . . . .	32.8	47.0	49.5
Copra (including re-exports) . .	32.2	35.1	40.2
Hemp . . . . .	2.6	3.8	5.2
Tobacco . . . . .	3.6	5.6	5.3
Cutch . . . . .	1.5	1.5	1.6

Direction of trade  
 (percentage of value)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Origin of imports (principal countries)			
United Kingdom . . . . .	21.9	21.0	20.7
Malaya <sup>a/</sup> . . . . .	7.1	6.8	6.4
Hong Kong . . . . .	7.5	8.0	8.3
Philippines . . . . .	13.7	11.7	9.7
Japan . . . . .	6.6	6.3	7.6
Thailand . . . . .	8.3	5.9	5.0
United States . . . . .	9.4	9.7	10.5
Destination of exports (principal countries)			
Rubber: United Kingdom . . . . .	28.9	15.6	16.6
Malaya <sup>a/</sup> . . . . .	27.3	30.7	35.0
Hong Kong . . . . .	6.1	4.1	5.1

		<u>Direction of trade</u> (cont'd)		
		<u>1958</u>	<u>1959</u>	<u>1960</u>
Timber:	United Kingdom . . . . .	3.3	1.6	1.2
	Japan . . . . .	56.5	64.1	64.7
	Hong Kong . . . . .	13.8	13.8	11.8
	Australia . . . . .	20.5	15.2	15.7
Copra:	United Kingdom . . . . .	20.9	11.0	4.5
	Malaya <sup>a/</sup> . . . . .	1.3	2.2	.9
	Netherlands . . . . .	10.6	9.5	3.3

a/ The Federation of Malaya and Singapore.

#### SOCIAL CONDITIONS

North Borneo has racially diverse populations speaking many different languages; Malaya has become the lingua franca of the Territory. No serious problem of race or cultural relations has been reported.

The largest immigrant group is the Chinese community. The European community, while numerically small, is economically important. It is the Government's policy, while encouraging the enterprise of the immigrant communities, to do all that is possible with the resources available for the progress and welfare of the indigenous population.

#### LABOUR AND EMPLOYMENT

The 1951 census showed that 140,629 persons or over 42 per cent of the total population was at that time gainfully employed. The 1960 census figures on employment are not yet available. Although a large portion of the working population is engaged in the cultivation of subsistence and cash crops in the traditional manner, the indigenous people are displaying a growing interest in wage-earning employment. During 1960 the labour force increased by nearly 4,000 or 13 per cent to 33,787.

There is no appreciable unemployment, nor is there any significant seasonal fluctuation in employment. North Borneo's continuous economic growth and expansion has created a demand for building workers, artisans and mechanics which cannot be met from within the Territory. In order to meet it, skilled and semi-skilled workers from Hong Kong and Singapore have been allowed to enter North Borneo temporarily for employment with building and engineering firms, timber companies and industries generally. The movement of workers from the Philippines and Indonesia (mainly from Celebes) continued. Most of these workers are unskilled and make a good contribution to North Borneo's agricultural economy. During 1960 about two-thirds of the increase in the labour force was attributable to the short-term migration of persons from these neighbouring countries.

	<u>Wage earners</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Agriculture (on estates) . . . . .	12,763	13,953	14,864
Industry . . . . .	11,630	12,132	14,010
Government departments . . . . .	<u>3,687</u>	<u>3,763</u>	<u>4,913</u>
Total	28,080	29,848	33,787

Almost all agricultural work and much industrial work is performed on piece-rates. During 1958-1960 there were no general wage increases and the cost of living remained much the same. In 1960, the average daily wage for unskilled workers was \$M3.41; for semi-skilled workers, \$M4.94; and for skilled workers, \$M9.09. According to the Labour Code all hours of employment are based upon an eight-hour day and six-day week. Work in excess is paid for at over-time rates.

Under the Workmen's Compensation Ordinance, 752 accidents were reported in 1960, compared with 616 in 1959 and 661 in 1958. Most of the accidents were of a minor nature, and the number of serious accidents resulting in death or permanent disablement was no higher in 1960 than in 1959, although the labour force was larger and more power-driven machinery was in use. The total amount of compensation settled by agreement was \$M65,013 in 1960, compared with \$M94,869 in 1959 and \$M110,266 in 1958.

The Trade Unions and Trade Disputes Ordinance, 1947, which was amended in 1949 and 1960, provides for the registration of trade unions. The movement is still in an embryonic stage. At the end of 1960, five unions remained on the register and only one of them was composed of manual workers.

In 1960 there were four labour disputes (three in 1959), involving 152 workers (114 in 1959), which resulted in the loss of 818 man-hours (110 in 1959).

#### Vocational training

The Government Trade School provides training in carpentry, mechanics and electrical work to some seventy-five youths at a time. The government departments and several employers follow a policy of training workers within their employment but there is little formal apprenticeship. Therefore, a great deal remains to be done in the way of formulating recognized standards of skill in different trades or of framing a wage structure which would provide incentives to workers to attain such standards.

A comprehensive training programme designed to equip local candidates for higher posts in the Public Service, which was adopted during 1960, includes the training of artisans and technicians.

#### CO-OPERATIVE SOCIETIES

The Co-operative Societies Ordinance and Rules came into force on 1 January 1959 and the Department of Agriculture is responsible for the registration of societies and promotional work. A co-operative expert from the ILO was invited to visit the Territory for six weeks in 1959, and his presence helped to stimulate interest in the movement.

During 1960 twenty new societies were registered, bringing the total to thirty-four with a combined membership of 2,458. Sixteen of the total are classified as marketing societies. A new development in 1960 was the registration of twelve land development societies, all but one being in Sandakan Residency.

Twenty of the societies have predominantly indigenous membership, eleven are Chinese and three are multi-racial.

#### STANDARD OF LIVING

No cost of living index is maintained but the Department of Labour and Welfare collects figures for an average monthly budget for indigenous and Chinese workers. The family budgets for the workers of both races showed a small increase in 1960.

Average monthly budget for wage-earners  
 (Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
<b>Indigenous workers:</b>			
Foodstuffs . . . . .	32.84	31.84	32.79
Clothing and bedding . . . . .	3.64	3.45	3.42
Miscellaneous . . . . .	<u>14.51</u>	<u>13.09</u>	<u>13.97</u>
Total	50.99	48.37	50.18
<b>Chinese workers:</b>			
Foodstuffs . . . . .	35.37	34.71	37.56
Clothing and bedding . . . . .	5.31	4.15	5.09
Miscellaneous . . . . .	<u>12.79</u>	<u>11.36</u>	<u>12.46</u>
Total	53.47	51.22	55.11

TOWN AND RURAL PLANNING AND HOUSING

Under the Town and Country Planning Ordinance, 1950, a central planning board comprising five ex-officio and five nominated members deals both with the town plans for the seven main towns and administrative layouts drawn up for a number of the smaller towns. Most of the towns and townships are sited on low-lying and often swampy land. The two largest towns - Sandakan and Jesselton - are mainly built on land reclaimed from the sea. In the main coastal towns extensive reclamation schemes have been in operation.

Overcrowding is not considered a serious problem, as the few small localities of sub-standard housing in the principal towns are being steadily replaced as the implementation of town plans proceeds. One of the major problems facing the Government is the lack of suitable Crown land to meet the growing demand for low-cost residential sites. In Jesselton, where the land is either steep hill or low-lying swamp, the Government has schemes under consideration for the reclamation of two areas of some 850 acres to be developed for low and medium-cost housing. A low cost housing scheme of thirty housing units was recently completed by the Jesselton Town Board.



## SOCIAL SECURITY AND WELFARE

There are no general social security schemes, nor are there any schemes for the provision of unemployment and old-age benefits. The Department of Labour and Welfare is responsible for administering government provisions for social welfare including relief of the destitute and disabled, care and protection of children and young persons, and assistance to war victims.

Much welfare work is performed by voluntary bodies and by community organizations. The traditional social customs of the various ethnic groups which make up the population normally impose an obligation to support elderly and disabled persons. It is the policy of the Government to foster all voluntary effort in the promotion of social welfare. In order to co-ordinate all voluntary and government social welfare activities, the Social Welfare Council, consisting of nine persons prominent in the field of social welfare, was established in 1954 with the Commissioner of Labour and Welfare as its chairman. The Council has done much useful work in advising the Government on matters of policy and administration.

## PREVENTION OF CRIME AND TREATMENT OF OFFENDERS

Although the population of the Territory has increased by over 36 per cent since 1951, there has been no corresponding increase in the rate of serious crime. The generally favourable crime position is attributed partly to the absence of problems of unemployment and partly to the inherent honesty of the people and their respect for the law. During 1960 the incidence of offences against the penal code remained low but there was an upward trend in offences against local laws and traffic regulations.

Crime statistics

	<u>Number of true cases</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Penal code offences:			
Offences against the person . . . .	128	141	131
Offences against property . . . . .	651	567	595
Offences against local laws . . . . .	2,233	2,571	3,098

## PUBLIC HEALTH

In March 1960 the Legislative Council passed the first Public Health Ordinance to consolidate all previous health legislation save that relating to international quarantine. The ordinance provides for administration, notification, prevention and suppression of disease and for the promotion of general sanitation and environmental hygiene. Recognizing the role of local authorities in public health, the ordinance provides for the formation by them of health committees, and places considerable responsibility on the authorities subject to the overriding control exercised by the Director of Medical Services. During the year, the staff of the Medical Department was strengthened with the appointment of a new medical officer and an increase in the number of trained nurses.

In June 1959, a sharp outbreak of typhoid occurred at Tenom but energetic health measures combined with modern drugs contained the epidemic to Tenom.

The diseases most common throughout the Territory are malaria, tuberculosis and intestinal infestations. In 1960 the principal causes of premature death were malaria, tuberculosis and pneumonia. The high incidence of bowel infections was attributable to low standards of hygiene and sanitation. Schemes have been carried out to increase existing piped water supplies to urban areas hitherto without them, but in the rural areas drinking supplies are generally obtained from wells. Many members of the rural community are still forced to rely on unprotected wells and polluted rivers and streams as sources of water.

Malaria remains a serious problem in rural areas. A project for the control of the disease has been carried on since 1955 jointly by the Government, WHO and UNICEF. The programme involves twice-a-year spraying of all occupied dwellings together with the administration of anti-malarial drugs at the time of spraying. Great progress has been made in many districts and in some areas malaria has already been completely controlled. At the end of 1960, a plan was being drawn up to transform the campaign to one of malaria eradication effective from July 1961.

With technical assistance from the Government of Australia under the Colombo Plan, the Government started an anti-tuberculosis campaign in August 1960. A survey began in selected areas in the latter half of the year and by the end of the year over 16,000 persons had been X-rayed, thirty-three schools had been

examined and 15,000 children had been skin-tested. The total number of new tuberculosis patients reported during 1960 was 1,231, compared with 2,122 for the previous year. Special wards for the treatment of tuberculosis patients and for their isolation have been constructed.

Cases of malnutrition continue to come to notice. Assistance from UNICEF enabled additional supplies of diet supplements and drugs to be provided at maternal and child welfare clinics and health centres throughout the Territory.

Expenditure  
(Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Medical Department . . . . .	3,141,929	3,467,973	3,970,634
Development Plan <sup>a/</sup> . . . . .	946,866	753,768	364,839

<sup>a/</sup> Figures do not include all the capital expenditure on new buildings for medical and health purposes.

Medical and health staff

	<u>1958</u>			<u>1959</u>			<u>1960</u>		
	<u>Govt.</u>	<u>Mission</u>	<u>Private</u>	<u>Govt.</u>	<u>Mission</u>	<u>Private</u>	<u>Govt.</u>	<u>Mission</u>	<u>Private</u>
Registered physicians	16	1	36	16	1	31	16	1	31
Nurses of senior training	6	3	1	7	3	1	9	3	1
Certificated nurses	183	-	53	186	-	53	206	-	53
Partially trained nurses	42	-	-	53	-	-	52	-	-
Certified midwives	64	3	40	68	3	40	66	3	40
Health inspectors Grade I	1	-	-	1	-	-	1	-	-
Other health inspectors	<u>14</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>-</u>
Total	326	7	130 <sup>a/</sup>	345	7	125 <sup>a/</sup>	364	7	125 <sup>a/</sup>

<sup>a/</sup> Excluding kampong midwives, whose number increased from sixty-four in 1958 and 1959 to sixty-seven in 1960.

	<u>Government institutions</u>			<u>Number of beds</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
General hospitals . . . .	2	2	2	422	479	511
Cottage hospitals . . . .	5	5	5	367	417	485
Mental hospitals . . . .	1	1	1	131 <sup>a/</sup>	142 <sup>a/</sup>	127 <sup>a/</sup>
Tuberculosis hospitals . .	1	2	2	140	...	...
Dispensaries:						
For out-patients . . . .	18	18	18	-	-	-
With beds . . . . .	12	12	12	204	178	178

<sup>a/</sup> Patients under treatment in hospital at the end of the year.

#### EDUCATIONAL CONDITIONS

Education is not compulsory and is free only in government schools. In spite of the notable advance made in the building of new government schools, the number of private schools remained greater than that of the government schools. The 1951 census showed that 117 per thousand of the total population and 170 per thousand of the population of fifteen years of age and over were literate and that general literacy rates of the Chinese population were much higher than that of the indigenous population. The literacy figures taken in the 1960 census are still not available.

Since 1957 the proportion of children of school age has appreciably increased and the exact figures of this proportionate increase will not be known until the final results of the 1960 census are available. The total school population in 1960 was 50,763 pupils enrolled in 379 schools, compared with 45,123 pupils in 354 schools in 1959 and 40,610 pupils in 333 schools in 1958. In addition, there are the Government Trade School with less than 100 students and the Government Teacher Training College (Kent College) with an enrolment of less than 200. No institutions for higher education yet exist in North Borneo although the number of students pursuing studies overseas on various scholarships

has increased. Of the total enrolment of North Borneo's schools in 1960, the secondary students numbered 3,806, compared with 3,397 in 1959 and 3,019 in 1958. Most of the education in the Territory at present is at the primary level.

The present system provides for six years' primary education followed by up to six years' post-primary education. There are three sections within the basic primary framework: Malay language education provided mainly in government schools; English language education provided mainly in mission schools; and Chinese language education provided mainly in schools sponsored by local Chinese communities. There is no post-primary education in Malay other than two-year courses at the Government Trade School and at Kent College. In the English schools there are short secondary courses of three years' duration and a long course of five years. The Chinese schools provide for junior middle and senior middle courses each of three years' duration.

The establishment of Native Voluntary Schools in recent years represents the keenness and determination of the inhabitants in rural areas to give their children some education. There were eighty-four Native Voluntary Schools in 1960, an increase of thirty-four over 1959. Most of these schools use Malay as the medium of instruction and only ten of them had primary VI classes in 1960. The Native Voluntary Schools receive government aid in the form of grants, equipment and books, and sometimes the services of government teachers.

The Board of Education set up under the Education (Amendment) Ordinance, 1956, to advise the Governor on all matters relating to education represents all races, creeds and interests in education, and the majority of its members are not officials. The executive authority for carrying out the policy and decisions of the Board is the Department of Education under the charge of the Director of Education. Under the same ordinance local education committees in all the fourteen school districts of the Territory have been established to advise the Board and the Director of Education on educational matters, management of schools and welfare of pupils in their districts.

In response to a request by Native Chiefs the Board approved, in 1959, a scheme for using English as a medium of instruction in the government schools. With assistance from the Colombo Plan, an Australian specialist in the teaching of English arrived in North Borneo in 1959 to organize and supervise the work of the specialist teachers in the field. The first phase of the scheme for

using English as the medium of instruction was put into full operation in 1960 with seventeen specialist teachers of English recruited mostly from the neighbouring countries. The Government of Canada, also under the Colombo Plan, made available a specialist English teacher to work in the Chinese schools in Jesselton and to train teachers of English.

The shortage of trained teachers presents another problem in education. In 1960 the number of teachers engaged in all schools was 1,762, an increase of 289 over 1959. The only teacher-training institution is Kent College at Tuaran which was opened in 1952. In 1960 the college had 164 students, of whom 103 were men and 61 were women. The courses given are a three-year course in Malay; a two-year course in Chinese; a two-year course in English and a special one-year course in English for indigenous teachers. Students numbered seventy-four in the Malay course; forty-eight in the Chinese course; and forty-two in the English course. In 1960 an in-service training course consisting of four short residential sessions was held for thirty teachers in the English section and sixty in the Chinese section. All but four completed and passed the courses and were granted the status of trained teachers.

Expenditure  
 (Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Ordinary budget . . . . .	2,208,949	2,598,741	3,876,857 <sup>a/</sup>
Development budget (mainly from Colonial Development and Welfare funds) . . . . .	1,053,077	1,067,128	1,980,168
Liberation Education Trust (mainly on scholarships) . . . .	85,158	69,475	94,344
Voluntary agencies . . . . .	...	...	2,739,215 <sup>b/</sup>
Local authorities . . . . .	...	...	269,345

<sup>a/</sup> Including capital expenditure of \$M650,689.

<sup>b/</sup> Including capital expenditure of \$M789,990.

	<u>Schools</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Government . . . . .	90	92	95
Mission . . . . .	81	87	91
Chinese . . . . .	88	89	89
Others . . . . .	<u>74</u>	<u>86</u>	<u>104</u>
Total <sup>a/</sup>	<u>333</u>	<u>354</u>	<u>379</u>

a/ In many cases both primary and secondary classes are in one school.

	<u>Pupils</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Primary school . . . . .	37,591	41,726	46,957
Secondary schools . . . . .	<u>3,019</u>	<u>3,397</u>	<u>3,806</u>
Total	40,610	45,123	50,763
Boys . . . . .	26,063	29,040	32,140
Girls . . . . .	<u>14,547</u>	<u>16,083</u>	<u>18,623</u>
Total	40,610	45,123	50,763

#### CULTURAL INSTITUTIONS AND MASS COMMUNICATIONS

The Broadcasting and Information Department deals administratively with four closely related subjects: the broadcasting service, press and publications, film and photography; and public libraries and reading rooms. There is no museum in North Borneo, but liaison is maintained with the Sarawak Museum.

During the period under review considerable development has taken place in the public library facilities. In response to a request for the improvement of the facilities and services by some local government authorities, the Government invited them in 1959 to make annual grants for the provision of books for libraries within their areas. With grants made by local government authorities and the increase in the Government funds, library accommodation has been enlarged and improved, and full-time locally recruited librarians have replaced the former temporary part-time assistants. A scholarship has been awarded to a locally recruited candidate to study librarianship in the

United Kingdom. The British Council continued its annual contribution of books for the public libraries. A very large gift of books from the Asia Foundation, together with the increase in government funds for the purchase of books, have enabled the libraries to meet most of the demands of readers. During 1960 some 40,000 books were borrowed from the public libraries, compared with 25,000 in 1959.

The press section of the Broadcasting and Information Department continued to supply official news and background information to the local press. During 1960 two new Chinese daily newspapers began publication, bringing the number of daily newspapers to six (five in Chinese and one in English, Malay and Dusun). In addition to the two existing periodicals (one in English and the other in English, Chinese, Malay and Dusun) two pictorial magazines, The Borneo Pictorial and Three Territories Pictorial, made their appearance in 1960.

Radio Sabah, a government-owned and operated broadcasting station, transmits for nine hours daily, covering the whole Territory with a short-wave transmitter and the Jesselton area with a medium-wave transmitter. Broadcasts are made in English, Malay, Dusun and Chinese. During the year, Radio Sabah continued to make use of B.B.C. transcriptions in the English and Malay programmes and the amount of inter-change of programmes with Radio Sarawak increased.



SARAWAK

AREA

The Territory, consisting of a coastal strip about 450 miles long and 40 to 129 miles wide on the north-west coast of the island of Borneo, has an area of 47,500 square miles (123,025 square kilometres) and covers a little less than one-sixth of the island. Sarawak adjoins North Borneo and Brunei, and the boundaries between Sarawak and these two Territories run through easier country. Consequently, many sections of these boundaries have been surveyed. The boundary between Sarawak and Indonesian Borneo follows the watershed between the rivers but passes through more rugged terrain.

POPULATION

The preliminary figures of the 1960 census, which was carried out in conjunction with North Borneo and Brunei, showed Sarawak's total population as 744,529, an increase of 197,144 or 36 per cent over 546,385 in the 1947 census. Forty-four per cent of the population is under the age of 15. The largest indigenous group is that of the Sea Dayaks, who speak a distinctive language related to Malay. Next to the Sea Dayaks, the Chinese and Malays are the largest groups.

	<u>Population</u> (census)	<u>1947</u>	<u>1960</u>
Indigenous:			
Sea Dayaks . . . . .		190,326	237,741
Land Dayaks . . . . .		42,195	57,619
Melanaus . . . . .		35,560	44,661
Malays . . . . .		97,469	129,300
Other indigenous . . . . .		29,867	37,931
Non-Indigenous:			
Chinese . . . . .		145,158	229,154
Other Asians . . . . .		5,119	6,492
Europeans . . . . .		691	1,631
Total		546,385	744,529

Vital statistics

	<u>1947</u>	<u>1958</u>	<u>1959</u>
Birth-rate per thousand population . . . . .	13.7	28.5	26.8
Infant mortality per thousand live births . . .	75.4	56.2	58.2
Death-rate per thousand population . . . . .	6.2	6.2	6.1

GOVERNMENT

Public Service

At the end of 1960, the Public Service of Sarawak consisted of 205 pensionable overseas officers, 142 non-pensionable overseas officers, 152 local and other officers of senior grades and 5,083 local and other officers of junior grades.

The Government has accepted the recommendations on the question of the localization of the Public Service made by a select committee of the Council Negri, the Sarawak legislature. It is now the Government's policy not to recruit officers from outside British Borneo to the permanent and pensionable posts, except in cases where specialized qualifications are required. Exceptions are also occasionally made when overseas officers are of an age which allows them to retire before local officers are ready to fill their posts.

Training facilities

There is no university in Sarawak. With a view to increasing the intake of local officers to the more senior posts in the Public Service, the Government operates a scheme for the granting of scholarships to local personnel to assist them in obtaining the necessary qualifications. Up to the end of 1960, overseas training awards had been made to some 356 members of the Public Service. Of this total, 308 had completed their courses and 48 remained in training. In-service training courses are conducted by practically all the major departments of the administration.

## ECONOMIC CONDITIONS

The economy of Sarawak depends largely on agricultural exports, of which rubber is the most important. Other export crops in order of importance are pepper, sago and coco-nuts. During the period under review Sarawak's timber industry enjoyed a boom, especially as a result of higher prices for ramin logs offered in the European and Australian markets. Heavy dependence on the primary exports of rubber, timber and pepper makes the economy vulnerable to international fluctuations in commodity prices, and the instability arising from over-dependence on a few export industries has become one of the factors retarding the economic development of Sarawak.

The improvement in prices for primary products during 1959 and the first half of 1960 resulted in an increase in the total value of foreign trade from \$M897,523,123<sup>11/</sup> in 1958 to \$M988,456,514 in 1959 but in a slight decrease to \$M933,213,252 in 1960. These figures included crude oil imports from Brunei and oil re-exports of both crude and refined products. Excluding these, the total value of external trade amounted to \$M251,996,360 in 1958, \$M343,080,995 in 1959 and \$M407,892,501 in 1960; the visible trade balance was: \$M13,201,103, unfavourable in 1958; \$M21,335,233, favourable in 1959; and \$M1,821,351 unfavourable in 1960.

The two years of good trade in 1959 and 1960, resulting from the increased volume of exports at prices which were above normal, made a substantial contribution to the government revenue and thus strengthened the financial position of Sarawak. Consequently the development plan, which was first approved in 1950 for the years 1948-1956 and was again revised in 1954 and 1957 to cover the period 1959-1963, was expanded in 1960 from \$M15 million to \$M153 million. Several new schemes, previously deferred, were included in the expanded plan.

Although the development plan has been revised several times, its aims and objects are basically unchanged. These are to develop the economy of Sarawak and to improve and expand social services within the capabilities of the Territory in order to maintain the resulting increased recurrent expenditure. The main difficulty of the development planner is to establish a balance between the demands for social services and the need for economic development with which to provide

<sup>11/</sup> The local currency is the Malayan dollar (\$M) which is equal to 2s.4d. sterling or \$US0.327.

for the future revenue of the Territory. In the past few years there has been a greater realization of the importance of economic development, particularly in the provision of more roads to open up new agricultural areas. The development plan has maintained a balance for economic and social services at roughly two-thirds and one-third respectively.

#### LAND, AGRICULTURE AND LIVE-STOCK

The principal occupation of more than two-thirds of the population is agriculture, which accounts for over half of the national income. It is estimated that of the total area of 47,500 square miles, some 2,700 square miles (6 per cent) are under settled cultivation; 8,700 square miles (18 per cent) are under shifting cultivation; and 36,000 square miles (76 per cent) are under forest of all types.

All land in Sarawak is classified under one of the following types: mixed zone land, Native area land, Native customary land, interior area land or reserved land. Only mixed zone land, which amounts to 4,400 square miles, may be alienated under title to a non-indigenous person. Native area land, which may be held only by an indigenous person of Sarawak, is estimated at 2,500 square miles. The alienated land is owned mostly by small holders but there are a few holdings of 500 acres or more. Land utilization surveys are being carried out to assess land available for agricultural development. Since 1949 a Natural Resources Board has been functioning to exercise general supervision over the natural resources of Sarawak and to control the use of land so as to prevent soil erosion and flooding caused by poor systems of shifting cultivation.

Although agriculture is the backbone of Sarawak's economy, the Territory remains a backward and inefficient agricultural producer. The agricultural economy shows little diversification and in some remote areas the principal activity is the cultivation of dry padi on a system of bush fallowing, usually termed shifting cultivation. Rice is the staple foodstuff but local production cannot meet the needs of the population. About half of the Territory's requirements are imported. A number of factors, including indifferent soil, shifting cultivation, the system of land tenure and the lack of communications, have retarded agricultural development.

Under the revised Development Plan, 1959-1963, a further \$M5,471,740 was added to the provision for agriculture, which now totals \$M36,324,884, or 23 per cent of the estimated cost of the plan. Directly through expanded programmes of research on soils, pepper and rice and through major schemes for improvement of rubber, coco-nuts and rice, as well as indirectly, through the provision of better communications, the development plan lays a foundation for progress in the field of agriculture.

#### Principal crops

In agricultural development, the main effort continues to be concentrated on the improvement of rubber, the most important cash crop, by planting high-yielding materials.

About 80 per cent of the estimated planted acreage (300,000) consist of old unselected seedling trees rapidly nearing the end of their economic life. The Rubber Planting Scheme, with an estimated expenditure of over \$M37 million for a period of fifteen years, was introduced in 1956 to rehabilitate the industry. The progress made is reflected in the increased acreage of high-yielding rubber. From its inception in 1956 to the end of 1960, a total of 64,338 (52,365 in 1959 and 38,611 in 1958) acres had been approved for new planting or replanting, most of them belonging to small holders. By the end of 1960 a total of 43,550 acres of high-yielding rubber had been actually planted, compared with 36,000 acres for the previous year. Of the total, the estates accounted for 974 acres, an increase of sixty-eight acres over 1959. As a supplement to the main Rubber Planting Scheme, it has been decided to provide free planting material to selected farmers living in areas at present inaccessible to supervision by the Rubber Development staff.

Pepper remains the second most important cash crop, although exports of both black and white pepper declined from 9,726 tons in 1958 to 8,449 tons in 1959 and 4,100 tons in 1960. Accurate figures on the acreage planted were not available but at the end of 1959 it was estimated to be between 6,000 and 7,000 acres. During the first four months of 1960, extensive replanting, stimulated by favourable prices, accounted for a newly planted area of about 1,000 acres. The drop in pepper exports is attributed to a number of factors including decreased planting and production, especially during the period 1954-1957, and to the retention of stocks by producers and dealers.

The area under sago is estimated at 150,000 acres. Coco-nut is entirely a small holders' crop and the total acreage of coco-nuts is estimated to be between 25,000 and 50,000 acres. Production of copra is small and insufficient to meet the local demand, and copra has to be imported. A Coconut Planting Scheme was introduced in January 1959 originally designed to plant up to a total of 10,000 acres during the period 1959-1963. Owing to the interest already shown in the Scheme, the target has been increased to 20,000 acres and the Scheme value increased from \$M1,200,000 to \$M2,004,000.

Padi (unhulled rice) is not in general a cash crop, but farmers in certain areas can derive an appreciable income from the sale of surplus production. In 1960 the Government continued to pay a guaranteed support price for padi of \$M13.50 per picul.<sup>12/</sup> A total of 2,373 tons was purchased in this way. The acreage of wet and dry padi harvested during the 1959/1960 season was estimated at 258,000 acres, compared with the estimate of 270,000 acres for the previous year. The Assistance to Padi Planters Scheme, started in 1959 to give technical and indirect assistance to small groups of wet padi farmers, has progressed slowly. Nineteen areas totalling 1,185 acres were assisted in 1960.

#### Training programme

The activities of the extension branch of the Department of Agriculture, which was established in 1959, cover such services as staff training, training programmes for farmers, the organization of demonstrations on agricultural stations, improved live-stock, freshwater fish fry, and publicity in the form of radio talks and press releases. In furtherance of a policy designed to ensure a well-trained staff, the agricultural training programme was intensified in 1960. Five overseas scholarships were awarded for diploma courses in agriculture and one diploma scholarship holder received an additional award from the Philippine Government for a degree course. Two officers successfully completed diploma courses at the College of Agriculture, Malaya, and one woman officer completed a course of training in home economics arranged by the Government of New Zealand under the Colombo Plan. Through the courtesy of the Rubber Research Institute, Malaya, eighteen officers attended a series of one-month courses on rubber processing and planting techniques at the

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<sup>12/</sup> One picul is equal to 133.33 pounds.

Institute's training centre. In the realm of in-service training, and also under the Colombo Plan, two junior officers went to India to take a two-year course in veterinary science and two more went to Malaya for a course on rice agronomy.

An agricultural census was taken in 1960 to secure reliable information on agricultural practices. It was the first of its kind held in Sarawak and was carried out in conjunction with the FAO world census programme.

### LIVE-STOCK

Animal husbandry plays an insignificant role in the rural economy of the Territory and mixed farming with live-stock is not generally practised. Non-Muslim Native and Chinese communities raise pigs. There has been an improvement in pig husbandry in urban areas, but in rural areas progress is slow owing to the lack of cheap protein for stock feeding and the inability to control disease in unpenned pigs. Poultry keeping is gaining in popularity. Because of the local demand for chicken, pork and beef, the need for imports of these items continued. A live-stock census taken at the end of 1960 showed an increase in production and imports of animals.

	Production			Imports		
	1958	1959	1960	1958	1959	1960
Buffaloes . . . . .	6,156	8,735	9,364	705	881	1,253
Cattle . . . . .	4,900	5,751	11,116			
Pigs . . . . .	106,212	138,158	177,586	7,437	9,081	13,263
Goats . . . . .	6,131	7,788	9,021	-	-	-
Poultry . . . . .	...	...	...	36,260	61,798	57,136

### FORESTRY

Sarawak is one of the most heavily forested countries in the world. Natural forest still covers 35,413 square miles or 73 per cent of the Territory. There are two main types: the swamp forests and the dry land forests. The swamp forests cover about 6,000 square miles and produce most of Sarawak's commercial timber, the most important of which is ramin, a light hardwood comparable to beech.

The objectives of the forest policy are: (1) to reserve permanently for the benefit of the present and future inhabitants of Sarawak forest land sufficient for

the assurance of the sound climatic and physical condition of the Territory; (2) to manage the productive forests of the permanent forest estate in order to obtain the highest possible revenue; (3) to promote, as far as may be practicable, the thorough and economical utilization of forests and a profitable export trade in forest produce. As a continuation of the ten-year Forest Development Plan, 1950-1959, a five-year Development Plan, 1961-1965, was approved in 1960. The emphasis has been on long-term management plans for the permanent forests and their improvement by silvicultural treatment.

The area of permanent forest in square miles increased from 10,963 in 1958 to 11,268 in 1959 and 11,482 in 1960, about 24 per cent of the total land area. Timber production is carried on by licensed sawmills, of which seventy were in operation in 1960, an increase of one over 1958. Most of the sawmills are owned by Chinese and a few are owned by Europeans and indigenous inhabitants. In terms of round timber, the total cut of commercial wood in 1959 was 500,462 tons of 50 Hoppus feet,<sup>13/</sup> compared with 370,426 tons in 1958. Figures for 1960 are not yet available. About one-third of the commercial wood was exported. The opening of Sarawak's first veneer plant was a notable feature in 1960.

A five-year research programme (1959-1963) has been in operation with emphasis on botany, ecology, silviculture, wood technology and timber production. Short-term training courses for field staff are held annually. Under the Colombo Plan, one student completed his first year's training at a Forest Rangers College in India in 1960 and another student is being sent to Australia to take a course leading to a degree in forestry.

#### FISHERIES

Malay, Melanau and Chinese fishermen are engaged mainly in sea fisheries, but statistics of production are not available. The only fisheries work carried out by the Government concerns freshwater fisheries, which play an important part in the physical welfare of Sarawak farmers, particularly in the interior areas where there is a lack of animal protein in the diet. An increasing number of farmers are taking up freshwater fish culture, and appreciable areas of low-lying land in both urban and rural districts unsuited to productive agriculture have been utilized for the

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<sup>13/</sup> One Hoppus foot is equal to 1,273 cubic feet.



construction of fish ponds. Some 832 larger ponds were constructed and stocked during 1960, compared with 829 in 1959 and 283 in 1958. Free distribution of freshwater fish fry and fingerlings increased from 24,226 in 1958 to 59,208 in 1959 and 111,917 in 1960.

#### MINING

At present, Sarawak's output of minerals and mineral products consists of oil, bauxite, gold, phosphate, bricks, lime and stone. Past production has also included coal, antimony, mercury and diamonds. There are known to be extensive deposits of coal. The Nippon Coal Company continued prospecting the Silantek coal during 1960. The search for new oilfields by Sarawak Shell Oilfield, Ltd., continued, mainly in the coastal areas. Oil rights in Sarawak are leased to this company until June 1989, subject to the right of renewal for a further period of thirty years.

Since 1957 the value of mineral production in Sarawak has risen. Due mostly to larger production of bauxite and gold, the 1960 value of all mineral products was \$10,085,148, compared with \$8,563,015 in 1959 and \$6,657,000 in 1958. The oil production from Miri field was valued at \$2,743,803 in 1960, compared with \$2,882,230 in 1959 and \$3,161,000 in 1958. Oil, bauxite and a small amount of stone have been exported. Bauxite exports, which began only in 1958, continued to expand. In 1960, exports were 256,016 long tons, valued at over \$5 million. Oil exports from Sarawak were valued at \$287,911,869 in 1960, compared with \$351,064,478 in 1959 and \$347,421,530 in 1958. Most of Sarawak's oil export was produced in Brunei but piped to Sarawak where some of it was treated at Lutong Refinery before being exported.

#### Principal mineral production

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Oil (long tons) . . . . .	56,902	54,708	60,143
Bauxite (long tons) . . . . .	100,000	206,848	284,830
Gold (fine ounces) . . . . .	864	2,450	3,326
Phosphate (long tons) . . . . .	153	619	...

## POWER

The Sarawak Electricity Supply Company, Ltd., a government-owned public utility undertaking, supplies electricity to the major centres of the Territory. The authorized capital increased from \$M8 million in 1958 to \$M10.5 million in 1960. During the year, generating capacity over the entire system was increased by some 24 per cent to a total of 9,814 kw, and a reconstruction programme of low tension mains in the major stations was undertaken to bring all distributions up to standards recently laid down by Sarawak legislation.

### Capacity, production and consumers

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Installed generating capacity (kw) . .	6,117	7,913	9,814
Production (thousand kwh) . . . . .	11,554	13,317	16,031
Number of consumers . . . . .	10,393	11,467	12,808

## INDUSTRY

Industrial development is mainly in the hands of private enterprise, and statistics are not available on the sources of investment. The most important industrial installation is the oil refinery at Lutong near Miri. Manufacturing industry is still on a very limited scale. Apart from the small-scale industries such as furniture making, tinsmithing and rice milling, it is confined to the manufacture of veneers, cigarettes, matches, textiles, beverages, biscuits, soap, coco-nut oil, rubber footwear, plastic goods and metal containers. Handicrafts and cottage industries are largely concerned with the making of jars, gongs, and the weaving of mats, baskets and cloth.

## TRANSPORT AND COMMUNICATIONS

Progress has been made in the construction of trunk and secondary roads. The main feature in 1960 on road works was the commencement of survey and construction of feeder roads, which are needed to open up under-developed areas. The total mileage of roads increased from 556 in 1958 to 605 in 1959 and 705 in 1960, about 153 (137 in 1959 and 110 in 1958) of which were bitumen or concrete. A total of 6,681 motor vehicles were licensed at the end of 1960, compared with 5,408 in 1959 and 4,103 in 1958.

There are no railways in Sarawak. There are two civil airports in Kuching and Sibü. Malayan Airways operate services between Singapore and Kuching and Sibü; the Territory is linked by air to Hong Kong by Cathay Pacific Airways. International air traffic continued to increase. The first commercial Interior Air Service was inaugurated during 1960 to Long Akah in the hinterland.

The main system of communications throughout the Territory is provided by local coastal and river vessels. Partly due to shallow bars, the Territory lacks sites for deep water ports. Neither of the main towns of Kuching and Sibü is directly accessible by other than small to medium-size ocean ships. The new port at Kuching, costing more than \$M8 million, was nearing completion and was scheduled to open in June 1961.

Sea-borne shipping  
(thousand tons)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Deep-sea tonnage:			
Inwards . . . . .	4,077	4,431	4,460
Outwards. . . . .	4,002	4,291	4,335
Coastwise tonnage:			
Inwards . . . . .	425	479	490
Outwards. . . . .	410	534	559

Telecommunications

The telephone system continued to expand. At the end of 1960, four automatic and forty-five (42 in 1949) manual exchanges with 3,359 (2,981 in 1959) telephones were in operation, of which 2,277 (2,003 in 1959) were private and 1,082 (978 in 1959) public. In November 1960 the International Radio Telephone Service from Kuching to Singapore and the Federation of Malaya was inaugurated. The service has since been extended to the United Kingdom.

In March 1960, the Department of Posts and Telegraphs became responsible for the operation and maintenance of aeradio at Kuching and Sibü airports, a service formerly provided by International Aeradio Limited. The Department also operated aeradio at six other airfields throughout the Territory.

PUBLIC FINANCE

The fiscal year coincides with the calendar year, and since 1958 the budget has been divided into two parts, recurrent and capital. The former includes the cost of services which are an annual commitment recurring indefinitely, while the latter covers a capital fund which derives revenue from grants and loans and from the Territory's surplus balances. The budgetary division facilitates long-term development planning as well as the application of the policy of the Government in keeping the recurrent expenditure within the total of the reliably anticipated revenue. Revenue accruing in good years and of a type which cannot be relied on is transferred to the capital fund for development expenditure.

Sarawak's financial position remained sound. The 1960 revenue reached a record figure of about \$M81 million, enabling \$M25 million to be transferred to the Capital Fund Account to finance development projects. Public debt comprising debenture bonds and stocks amounted to \$25,278,500. At the end of 1960 a bill was passed providing for the introduction of personal income tax.

Revenue and expenditure  
 (thousand Malayan dollars)

	<u>1958</u> (actual)	<u>1959</u> (actual)	<u>1960</u> (estimate)
Revenue:			
Ordinary . . . . .	57,617	68,562	80,904
Extraordinary . . . . .	2,428	1,809	760
Total . . . . .	<u>60,045</u>	<u>70,371</u>	<u>81,664</u>
Expenditure:			
Ordinary . . . . .	57,956	64,945	81,173
Extraordinary . . . . .	. . .	27,469	34,606
Total . . . . .	<u>57,956</u>	<u>92,414</u>	<u>115,779</u>
Major heads of ordinary revenue:			
Customs . . . . .	26,648	37,883	47,520
Income tax . . . . .	12,094	10,101	11,700
Licenses, taxes and internal revenue . . . . .	3,638	3,859	3,553
Interest . . . . .	2,922	3,441	4,329
Major heads of ordinary expenditure:			
Education . . . . .	8,745	9,502	9,867
Medical . . . . .	5,193	5,626	6,148
Public works . . . . .	5,280	5,151	7,027
Constabulary . . . . .	3,961	4,119	4,344

Development finance

The cost of the Development Plan, 1953-1963, was estimated in 1959 at \$M114,945,608. As a result of the improved financial position in 1960 a supplement to the Development Plan providing additional expenditure of \$M38.7 million was approved. The total estimated expenditure on the Plan now amounts to \$M153,681,834 to be financed by local revenue appropriations, accumulated surplus balances, rubber cess and loan funds, and Colonial Development and Welfare grants.

Development expenditure  
(Malayan dollars)1959 - 1963

Economic schemes:	
Agriculture and fisheries . . . . .	36,324,884
Forestry . . . . .	870,900
Communications . . . . .	53,121,174
Fuel and power (electricity) . . . . .	4,600,000
Social services:	
Education . . . . .	19,126,403
Medical and health . . . . .	9,541,792
Water supplies . . . . .	9,063,830
Miscellaneous . . . . .	<u>21,032,851</u>
Total . . . . .	153,681,834

BANKING AND CREDIT

The legal tender of Sarawak is currently issued by the Board of Commissioners of Currency, Malaya and British Borneo. At the end of 1960 the currency in circulation in Sarawak amounted to \$M62,952,714. Three major and four minor commercial banks operate in the Territory. There is a Post Office Savings Bank, which had 8,922 depositors at the end of 1960, compared with 8,485 for the previous year. The amount of credit to depositors was \$M3,797,974 as against \$M3,757,378 in 1959.

INTERNATIONAL TRADE

Imports and exports  
 (thousand Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Imports . . . . .	433,787	455,066	444,923
Exports . . . . .	463,736	533,391	488,290
Principal imports:			
Mineral fuels, lubricants and related materials . . . . .	310,420	305,082	251,084
Food . . . . .	48,429	55,771	59,449
Manufactured goods and sundries . . . . .	29,086	37,228	43,478
Machinery and transport equipment . . . . .	16,748	21,562	26,085
Principal exports:			
Petroleum, crude and refined . . . . .	347,498	351,183	287,999
Rubber . . . . .	60,430	94,898	122,440
Timber . . . . .	19,569	31,040	43,607
Pepper . . . . .	15,144	18,098	17,200
Illipe nuts . . . . .	7,120	19,976	-

SOCIAL CONDITIONS

The inhabitants of Sarawak consist of a variety of ethnic groups speaking a number of different languages and differing in the stages of their development. Roughly speaking, about two-thirds of the population are classified as indigenous and include over a dozen distinctive ethnic groups. The Chinese are the largest immigrant group while the Europeans, numbering less than 2,000, form the smallest immigrant community. Although some Chinese have been living in Sarawak for hundreds of years, by far the largest number came to Sarawak in the present century or were born of such immigrants. At present there is a negligible amount of immigration to Sarawak. The main social problems of race and cultural relations arise from the existence side by side of immigrant communities with the majority consisting of indigenous people.

Status of women

The information states that, except for the gradually diminishing restrictions imposed by Muslim traditions, women of all races have and exercise complete freedom. Both the female school population and female teachers continue to increase. There is a woman councillor on the Kuching Municipal Council and a Dayak woman has been nominated to the legislature of Sarawak.

## LABOUR AND EMPLOYMENT

A Commissioner of Labour has been resident in Sarawak and plans were made for the establishment of a Department of Labour in 1961.

The majority of the inhabitants continue to be engaged in agricultural pursuits. The indigenous population are almost all padi farmers but few depend on this alone. Many are employed on small rubber estates or sago plantations and others are often employed as log extractors in the forest when they are not busy on their padi farms. The Chinese agriculturists rely mainly on rubber and pepper. Available figures show the numbers employed in the principal occupations in 1959 as follows:

Sawmills . . .	6,303
Oilfields . . .	1,220
Rubber estates	1,016
Cutch . . . . .	55
Jelutong . . .	223
Construction .	2,052
Mining and quarrying . . .	146
Bauxite mining	357
Gold mining . .	121
Total . . . . .	<u>11,493</u>

The largest private employer of industrial workers is the Sarawak Shell Oilfields, Ltd. During 1960 the refinery at Lutong employed 624 (717 in 1959) skilled and 344 (503 in 1959) unskilled workers and a staff of 208 (281 in 1959). Among these employees, Malays, Chinese, Dayaks and Indians, respectively, are roughly in the proportion of 62 1/2, 19, 15 and 3 1/2 per cent.

Hours of work in the main industries remained unchanged and are governed by the eight-hour day and six-day week as provided for in the Labour Ordinance. There was little change in the wages earned in the main industries.

Sample daily wage rates  
(Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Rubber tappers <sup>a/</sup> . . . . .	2.00 - 6.70	2.50 - 6.80	2.50 - 6.80
Carpenters . . . . .	8.00	4.50 -10.00	4.50 -10.00
Sawmill workers . . . . .	2.80 -13.00	2.80 -13.00	2.80 -13.00
Road and building construction . . . . .	4.00 -14.00	3.40 -14.00	3.40 -14.00
Basic rate in oilfields <sup>b/</sup> :			
Skilled . . . . .	5.74	1.65 <sup>c/</sup>	1.67 <sup>c/</sup>
Unskilled . . . . .	4.22	0.71 <sup>c/</sup>	0.71 <sup>c/</sup>

- <sup>a/</sup> Free housing and other amenities are provided.  
<sup>b/</sup> Excluding a temporary cost-of-living allowance.  
<sup>c/</sup> Per hour.

The Government attaches considerable importance to promoting the healthy growth of trade unions. During 1960 three unions were registered and three agreed to amalgamate. At the end of the year the number of the trade unions totalled thirty-eight. Industrial disputes are few and infrequent and no stoppage occurred during 1959 and 1960. In 1958 the workers of the Sarawak Electricity Supply Company went on strike for two days; this was the second major strike since 1952.

#### Vocational training

Technical training on a limited scale is carried out by the Departments of Public Works and Agriculture. Sarawak Shell Oilfields, Ltd., operates a training scheme in conjunction with the associate Shell Company of Brunei, designed to give boys theoretical knowledge and training on the job and in the workshops in the electrical, radio and telephone, and mechanical trades. The Brooke Dockyard has seven apprentices and their training covers the repair and overhaul of marine crude oil engines and general mechanical engineering work.

#### CO-OPERATIVE SOCIETIES

Credit and thrift societies have been formed among all the main ethnic groups in Sarawak. Agricultural indebtedness appears to be a major problem, but does not seem to be causing any general demand for its relief by co-operative means. However, the communal way of life provides a certain basis for co-operation. A significant development in 1959 was the registration of a women's co-operative society, and a woman co-operative officer was appointed to stimulate further interest in the movement. During 1960 a new form of co-operative venture was initiated: the Kuching Wharf and Harbour Workers Co-operatives Society, which undertakes to find and secure work for its members.

In 1960 the service of an ILO expert was obtained to assist the Government in a programme designed to improve and strengthen the co-operative movement. Arrangements were also made for the training of two more local officers in co-operative marketing techniques. Training courses for both junior and more senior officers have been held in Sarawak.



Twenty-five new societies with a membership of 1,008 were formed and registered during 1960; over half of these were savings and loan societies. At the end of the year there were 178 co-operative societies registered with a total membership of 10,909.

Registered co-operative societies, 1960

	<u>Number</u>	<u>Membership</u>
Producers . . . . .	68	2,481
Consumers . . . . .	20	2,684
Financial . . . . .	83	4,963
Others . . . . .	<u>7</u>	<u>781</u>
Total .	178	10,909

STANDARD OF LIVING

No cost of living index is published. During 1960 there was a slight drop in the cost of living in both the oilfields and in Kuching. In the capital the price index decreased by one and a half points. Comparisons of the average figures for the years 1958, 1959 and 1960 with the basic figure of 100 for 1950 were respectively 114.87, 112.64 and 111.12.

TOWN AND RURAL PLANNING AND HOUSING

In October 1960, with the return of an officer qualified in town and country planning, final steps were taken to set up a Town and Country Planning Section in the Department of Lands and Surveys. The training of staff has commenced, and work has begun on the preliminary surveys of Kuching town. The Development Plan, 1959-1963, includes a number of town development schemes and low-cost housing projects.

SOCIAL SECURITY AND WELFARE

There are no general schemes of social security. Most of the welfare work is carried out by voluntary organizations, whose activities are co-ordinated through the Social Welfare Council, an organization composed of official and unofficial members from various races, creeds and walks of life who are interested in helping their less fortunate fellow-men. The Government supports the work of the Council with an annual grant of \$M190,000.

During the period under review, events of note connected with the work of social welfare included the training of a locally born person in Australia with the aid of the Asia Foundation, the establishment of a Blind Fund Committee and the inauguration of the Sarawak Society for the Blind, and the completion of a new building at the Kuching Home for the Aged. The appointment of a youth welfare officer in May 1960 will make possible a more systematic approach to meeting the increasing needs of the youth of different races in the many fields of youth service hitherto met largely by voluntary organizations.

#### COMMUNITY DEVELOPMENT

A committee of administrative and departmental heads administers community development activities, and since 1949 a number of projects have been initiated in rural areas. At the end of 1960 the committee reviewed the adequacy of the current programme in relation to the broader needs of rural development, with particular emphasis on more conscious integration with local government growth.

Two specialized schemes aiming at the improvement of the economic, educational and health conditions of the indigenous population in the rural areas are of some significance. The Padawan Scheme, serving an economically depressed area of Land Dayak villages in Upper Sarawak, completed its initial four-year phase and is expected to continue for a further three-year period under Land Dayak leadership. A similar but entirely separate scheme is being carried out in the heart of the Iban or Sea Dayak country. Progress has been made and the work carried out by a small devoted body of community development workers with popularly elected local committees has been notable.

Trainees in the United Kingdom in connexion with the community development schemes continued to make progress and another two boys were sent in 1960. Under the auspices of Voluntary Service Overseas several United Kingdom Student Volunteers have been engaged in community development work in Sarawak. During 1960, a WEO nutrition expert visited Sarawak to examine the possibility of conducting a nutrition survey through one of the established community development centres.

## PREVENTION OF CRIME AND TREATMENT OF OFFENDERS

The incidence of crime remained generally low in 1960 although there was an upward trend in offences covered by the Penal Code as compared with 1959. The number of house-breakings recorded a marked increase. Offences against the person showed a slight upward trend although there was a decrease in the number of murders. Seven murders were reported in 1960, compared with ten in 1959 and twelve in 1958. Other crime statistics for the period under review are not available.

## PUBLIC HEALTH

Steady progress has been made in developing the health services. The plans initiated in 1959 for the reorganization and consolidation of the Medical Department's activities were carried out, and the new Medical Headquarters administrative organization is now complete with the filling of the four super-scale and senior professional posts. However, three vacancies for medical officers have yet to be filled. In addition to these four senior officers, the WHO Senior Malaria Adviser is accommodated at Medical Headquarters to enable him to maintain the closest liaison possible with the Department.

Alterations and improvements to hospitals under the Development Plan have progressed steadily. Under the expanded development programme for 1961-1963, provision has been made for the first phase of construction of a new 600-bed hospital in Kuching. In 1960 the Government took over Miri Hospital from Sarawak Shell Oilfields, Ltd., which had been responsible for all hospital services in this area for some fifty years.

With technical assistance from WHO, considerable progress was made in the control of malaria during the period under review. In early 1960, the plans formulated in 1959 to convert the WHO-assisted control project to one of eradication were carried a stage further, and by the end of August a fully functioning country-wide surveillance organization had been established. It was hoped that surveillance results would lead to over-all cessation of spraying by 1962.

Tuberculosis remained the most serious disease. With effective malaria control established, and eradication in sight, attention was turned during 1960 to this important public health problem. A scheme to control tuberculosis first in Kuching and then in the other main centres is receiving financial assistance from Colonial Development and Welfare funds and Colombo Plan sources, and it is hoped that UNICEF will provide certain items of equipment. Local staff for carrying out the scheme have been trained and the first members of the Colombo Plan personnel have arrived in the Territory.

The proportion of health expenditure to total recurrent expenditure was estimated at 7.6 per cent in 1960, compared with 8.6 per cent in 1959 and 8.7 per cent in 1958. The proportion of health capital expenditure to total capital expenditure was estimated to be 5.9 per cent in 1960, compared with 5.7 per cent in 1959.

#### Medical and health staff

In 1960 there were thirty-two government, four mission and twenty-seven private registered medical practitioners, making a total of sixty-three.

During 1960 there were thirty-six Sarawak students studying medicine overseas, including eight private medical students. The local training of nurses and other auxiliary staff on a departmental basis has continued. In 1960 there were 120 probationer nurses and twenty other categories of medical staff in training. Health education services will be expanded when more and better trained staff are available.

#### Institutions

There are four general hospitals (684 beds); a mental hospital (300 beds); a leprosarium (520 beds); a sanatorium (60 beds); twenty-nine static dispensaries (196 rest beds); and fourteen travelling dispensaries. Maternity and child welfare clinics are maintained in the main centres of the Territory and the Government provides ophthalmic and dental services. The missions operate a number of small hospitals in the Territory. Including the mission hospitals but excluding mental hospitals and leprosy patient accommodation, the total number of beds is about 1,000 or one bed per 745 of the population.

## EDUCATIONAL CONDITIONS

Education in Sarawak is not yet free and compulsory. Under the general control of the Director of Education most schools are managed by local authorities, Christian missions and Chinese school boards; only a few primary schools are managed by the Central Government. In the past, the provision of secondary education was left to voluntary agencies. Recently several secondary schools have been established by the Government, and more are planned. The teacher-training colleges are managed by the Government. Local authorities, consisting of one municipal and twenty-three district councils, have general responsibility for primary education in their areas. Most of the local-authority schools serve the indigenous inhabitants but some of them have a mixed enrolment, and a few serve the Chinese population. Chinese school boards are elected by the local communities and manage both primary and secondary schools.

In 1960, the total population of children of primary school age was estimated at 133,000; there were 94,773 children attending primary schools and 9,266 pupils in secondary schools. The Government aims at providing a six-year course of primary education for all children between the ages of six and eleven inclusive. At present it is only possible to provide secondary education in the government and aided school system for the most promising pupils leaving primary schools, who are chosen by public examinations.

Owing to the multiplicity of races and languages in Sarawak, different school systems grew up in the past to meet the needs of the various ethnic groups. Principal objectives in the present educational policy are to bring the different school systems into a common national system and to overcome the wide disparity in educational level between the indigenous inhabitants and the immigrant peoples by improving as rapidly as possible the educational opportunities for the indigenous population. The first important step towards the implementation of this policy was the introduction in 1956 of a grant code, which put all aided schools on the same financial basis. There is a unified salary scale for all teachers in aided schools and a provident fund scheme to help teachers on retirement. The second important step towards the creation of a national system of education was the establishment in 1957-1960 of three government secondary schools using English as the medium of instruction and catering for pupils of all races. Two more such schools were

scheduled to open in 1961. Other measures taken to bring together the English-medium and Chinese-medium schools include the production of some text-books with common content in both languages. In December 1960 it was announced that the Government proposed to invite all secondary schools which had not already done so to co-operate in the preparation of programmes for the conversion over a period of years to the use of English as the medium of instruction in all subjects except in the study of the indigenous and Chinese languages and literature.

Government policy with regard to the provision of secondary education and the method of selecting candidates for entry to secondary schools aroused controversy in 1959. Consequently an educational expert was invited to review the whole question. The expert's report, published in 1960, upheld the arrangements which had been made for the introduction of age limits for admission to primary schools and approved in general the system of selecting the most promising candidate for entry to secondary schools. The Government accepted in principle the expert's main recommendations, including the expansion of Native primary schools and other aided schools with further loans and grants, the establishment in smaller towns of six new junior secondary schools catering for pupils of all races, and approval of the establishment of unaided secondary schools conforming to the Education Ordinance and to the general planning of education in the area concerned.

There are two teacher-training colleges, one at Batu Lintang for teachers using the medium of English and the other at Sibü for teachers using Chinese. During 1960 there were 306 students at these two colleges. At the end of the year, 105 students successfully completed the courses at Batu Lintang and fifty-two at Sibü. In May 1960, under various scholarship schemes, there were 136 Sarawak students studying overseas at universities and colleges on courses lasting not less than one year.

The proportion of education expenditure to total recurrent expenditure was estimated at 12.2 per cent in 1960, compared with 14.6 per cent in 1959 and 15.1 per cent in 1958. The proportion of education expenditure to total capital expenditure was estimated at 8.1 per cent in 1960, compared with 9.9 per cent in 1959.

	<u>Schools</u>					
	<u>1958</u>		<u>1959</u>		<u>1960</u>	
	<u>Primary</u>	<u>Secondary</u>	<u>Primary</u>	<u>Secondary</u>	<u>Primary</u>	<u>Secondary</u>
Central Government . . . . .	4	4	4	4	4	4
Aided:						
Local authority . . . . .	333	-	378	-	424	-
Private (village committee) . . . . .	6	-	5	-	5	-
Mission . . . . .	133	16	139	15	146	14
Chinese . . . . .	247	17	251	17	247	16
Unaided . . . . .	<u>33</u>	<u>1</u>	<u>32</u>	<u>-</u>	<u>24</u>	<u>6</u>
Total . . . . .	756	38	809	36	850	40

	<u>Pupils</u>					
	<u>1958</u>		<u>1959</u>		<u>1960</u>	
	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>
Central Government . . . . .	695	217	806	260	849	323
Aided:						
Local authority . . . . .	16,744	6,266	18,551	7,735	20,985	9,254
Private (village committee) . . . . .	515	363	475	386	540	414
Mission . . . . .	11,595	6,119	12,401	6,908	13,363	7,705
Chinese . . . . .	27,096	19,408	27,322	20,008	27,941	21,366
Unaided . . . . .	<u>1,020</u>	<u>894</u>	<u>1,415</u>	<u>876</u>	<u>732</u>	<u>569</u>
Total . . . . .	57,665	33,267	60,970	36,173	64,410	39,629
Grand total . . . . .	90,932		97,143		104,039	

#### CULTURAL INSTITUTIONS AND MASS COMMUNICATIONS

The Sarawak Museum in Kuching has a good collection of archaeological materials and Borneo arts and crafts and is a focal centre for interest in and preservation of Borneo craftsmanship, custom and belief. With the construction of a new building and a complete overhaul of the old museum building, better facilities for exhibition and research workers and students have been provided. During 1960 the Fulbright Foundation recognized the improved facilities at the Sarawak Museum and sent a distinguished archaeologist to spend nine months working with the Museum staff. The Sarawak Museum Journal is published twice annually.

Since 1958 the central library in Kuching and branch libraries throughout the Territory have been administered by the Department of Education. The central library contains more than 30,000 volumes in English, Chinese and Malay and provides services for Kuching residents and outstation members. During 1960 four outstation libraries were added. The British Council continued to supply some books and periodicals to the libraries and the Asia Foundation also made valuable contributions.

During the period under review eight Chinese and one English daily newspapers and nine periodicals in Chinese, English, Malay and Iban were published.

Radio Sarawak, operating as a government department, broadcasts fourteen hours of programmes daily on two simultaneous transmissions, on both the medium and short wave bands. The School Broadcasting Service has been firmly established and by the end of the period 145 schools were regularly using the Service. The Asia Foundation has contributed 266 receivers for use in schools.

There are no public theatres. The Government Information Service runs four mobile cinema units which travel throughout the Territory showing educational, documentary and news films. A new building for the Information Service in Kuching was completed in 1960 providing its staff with much improved accommodation and working conditions.



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AREA

The island of Singapore, at the tip of the Malay Peninsula and joined to it by a causeway three-quarters of a mile long, has an area of 224.25 square miles (581 square kilometres); together with more than forty adjacent islets, which have a total area of fifteen square miles (38.8 square kilometres), it forms the State of Singapore. The city of Singapore, with an area of 31.5 square miles (81.6 square kilometres), and containing more than three-quarters of the total population of the island, is built mainly on land reclaimed from swamp and sea.

POPULATION

	June 1957 (census)	30 June 1958 (estimates) a/	31 December 1959 (estimates) a/	31 December 1960 (estimates) a/
Chinese . . . . .	1,090,595	1,141,800	1,213,600	1,253,400
Malaysians . . . . .	197,060	207,300	222,800	232,400
Indians and Pakistanis . . . . .	124,084	129,500	137,300	140,400
Europeans . . . . .	10,826	11,400	12,700	13,000
Eurasians . . . . .	11,382	11,700	12,200	12,500
Others . . . . .	11,982	12,300	13,300	13,700
	<u>1,445,929</u>	<u>1,514,000</u>	<u>1,611,900</u>	<u>1,665,400</u>

a/ The population estimates exclude the following categories enumerated in the June 1957 census: (1) non-locally domiciled Services personnel (including United Kingdom-based civilians employed by the Services) and their families, 27,299; (2) transients afloat, 3,466. The births and deaths of persons within category (1) are excluded from these estimates. The births and deaths of persons within category (2) are included in these estimates but the number of such is negligible.

Vital statistics

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Birth-rate per thousand population . . . . .	41.3	39.5	37.8
Infant mortality per thousand live births . . . . .	43.7	36.0	34.9
Death-rate per thousand population . . . . .	7.0	6.4	6.2

Singapore's population is rapidly expanding at a rate which is one of the highest known in the world. The average annual increase between the census years 1947 and 1957 was 4.6 per cent. Of this, 3.6 per cent was caused by natural increase and 0.7 per cent by migratory surplus.

The rapid increase of population in the post-war years led to a situation in 1957 where about 42.8 per cent of the population was under 15 years of age. If the existing fertility rate is maintained, this proportion will also be more or less maintained. Similarly, those in the age-group 60 years and more will continue to form between 3 and 4 per cent of the population. In addition to the children and the aged there are "house-workers" and "full-time students" in the age-group 15 to 59 years, which in 1957 formed about 22 per cent of the population. In all, about two-thirds of the population are dependent on the productivity of one-third. It is not likely that this proportion will change radically in the near future.

#### ECONOMIC CONDITIONS

Entrepôt trade and manufacturing form the main economic activities of Singapore. Manufacturing gives employment to almost as many persons as entrepôt trade and contributes more to the national income. Entrepôt trade, which is traditionally associated with the prosperity of Singapore, has very limited possibilities of expansion, and there may be some decline in the future. Greater emphasis, therefore, will have to be placed on industrialization in order to provide employment for the rapidly growing population. However, in the next few years no significant reduction in Singapore's reliance on entrepôt trade can be expected.

Singapore's entrepôt trade has grown as a result of the enhancement of its geographical advantages by the building of harbour facilities and a transport network, together with banking and other commercial facilities. The trade consists of: (1) trade in commodities produced by neighbouring countries such as rubber, tin, pepper, copra, spices, and forest produce, which are exported to Europe, America and other parts of the world after grading and processing;

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(2) trade in manufactured goods produced in Europe, America and elsewhere which are re-exported to neighbouring countries; (3) trade in major staples such as rice, dried and salted fish and salted vegetables, which also are distributed to neighbouring countries. The group of entrepôt trade countries, lying mainly within a radius of about 1,000 miles from Singapore, consists of the Federation of Malaya, Indonesia, the British Borneo Territories, Thailand, Burma, Cambodia, Laos and Viet-Nam. For the past ten years the percentage of trade with these countries has been between 47 and 51 per cent of Singapore's total trade.

During 1959 a steady revival of world prices for the principal commodities in the region of South-East Asia, particularly rubber and tin, indicated an improvement over the trading condition of the previous years. The upward trend in 1959 was indicated by the increase in Singapore's total trade (excluding trade with the Federation) which rose steadily in value to total \$M5,828.2 million<sup>14/</sup> against \$M5,582.6 million in 1958. Imports showed a small increase, being \$M3,105.5 million against \$M3,100.6 million, but the increases in the values of commodities were illustrated by the rise in export value from \$M2,482.0 million to \$M2,722.7 million. The adverse trade balance of \$M618.6 million in 1958 closed to \$M372.8 million. In 1960, however, with imports totalling \$M3,225.0 million and exports \$M2,634.6 million, the adverse balance rose to \$M590.4 million.

During 1960 several new industries began operation and progress was made in established industries. The first industries under the Pioneer Industries (Relief from Income Tax) Ordinance were set up.

#### Development Plan, 1961-1964

The main object of the Development Plan, 1961-1964, is to create new employment for Singapore's growing population. As such, the emphasis has been on expenditure to promote economic development. Social services will be maintained at the present level apart from substantial public housing. Increased expenditure on social services is intended to keep pace with population growth. Economic development will take 58 per cent of the total development expenditure

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<sup>14/</sup> The local currency is the Malayan dollar (\$M) which equals 2s. 4d. or \$US0.327.

of \$871 million. Social development comes next with 40 per cent, of which housing takes by far the largest share, \$154 million. Education is next with \$94 million. More than half of the development expenditure will yield additional revenue.

Development expenditure, 1961-1964: main groups of projects

	(million Malayan dollars)	(per cent)
Economic development:		
Land and agricultural development . . . . .	53.27	10.49
Industry and commerce . . . . .	337.36	66.41
Transport and communications . . . . .	117.32	23.10
Total . . . . .	507.95	100.00
Social development . . . . .	349.88	40.17
Public administration . . . . .	13.19	1.51
Total . . . . .	871.02	100.00

The projects for expanding industry and commerce together claim about 66 per cent of the expenditure allocated to economic development. The largest single item is that of \$100 million for the Economic Development Board, the instrument of the Government's direct participation in promoting industrial activity. The Government's aim is to stimulate industrialization and provide essential services for it, and to leave the actual industrialization to private enterprise.

Capital expenditure estimates: Development Plan, 1961-1964  
(million Malayan dollars)

Balance  
required  
in 1965

	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Total</u>	
<b>ECONOMIC DEVELOPMENT</b>						
<u>Land and agricultural development</u> (including land purchases for general development and resettlement, flood alleviation schemes and rural development schemes) . . . . .						
	10.90	16.19	13.47	12.71	53.27	3.40
<u>Industry and commerce</u>						
<u>Economic Development</u>						
Board . . . . .	40.00	20.00	20.00	20.00	100.00	-
Kallang Project . . . . .	0.50	4.50	20.00	15.00	40.00	3.20
Jurong Project . . . . .	1.00	14.00	15.00	15.00	45.00	-
Land acquisition for industrialization and other development costs for industrialization . . . . .	5.60	-	-	-	5.60	-
Electricity . . . . .	19.40	11.80	24.42	22.88	78.50	-
Water . . . . .	9.10	14.45	16.73	13.95	54.23	10.13
Gas . . . . .	1.76	4.72	3.70	3.85	14.03	-
Total: industry and commerce . . . . .	77.36	69.47	99.85	90.68	337.36	13.33
<u>Transport and communications</u>						
East Wharf development . . . . .	6.70	6.00	-	-	12.70	-
Improvement of Singapore						
River . . . . .	2.00	3.70	5.00	5.00	15.70	5.40
Civil Aviation . . . . .	4.47	4.08	1.71	0.64	10.90	-
Telecommunications . . . . .	3.60	3.00	2.77	3.51	12.88	-
Roads . . . . .	3.90	9.30	8.10	8.30	29.60	-
Bridges . . . . .	2.67	2.33	2.90	2.53	10.43	-
Telephone Board . . . . .	4.89	4.78	4.44	3.34	17.45	-
Other . . . . .	2.55	1.95	1.66	1.50	7.66	0.12
Total: transport and communications . . . . .	30.78	35.14	26.58	24.82	117.32	5.52
TOTAL: ECONOMIC DEVELOPMENT	119.04	120.80	139.90	128.21	507.95	22.25

Capital expenditure estimates: Development Plan, 1961-1964 (cont.)

	(Million Malayan dollars)					Balance required in 1965
	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Total</u>	
SOCIAL DEVELOPMENT						
Health . . . . .	6.12	9.78	7.70	12.20	35.80	-
Education . . . . .	22.04	25.77	25.35	21.32	94.48	-
Social welfare . . . . .	0.26	0.51	0.60	0.40	1.77	-
Housing . . . . .	34.60	40.70	33.80	44.50	153.60	41.00
Sewerage . . . . .	15.72	12.31	9.83	9.50	47.36	-
Community services . . . . .	0.57	1.94	2.00	1.56	6.07	-
Culture . . . . .	<u>4.48</u>	<u>4.62</u>	<u>1.60</u>	<u>0.10</u>	<u>10.80</u>	-
TOTAL: SOCIAL DEVELOPMENT . . . . .	83.79	95.63	80.88	89.58	349.88	41.00
PUBLIC ADMINISTRATION . . . . .	4.03	4.07	2.88	2.21	13.19	-
GRAND TOTAL . . . . .	206.86	220.50	223.66	220.00	871.02	63.25

Of the funds required for financing the Development Plan, it is expected that \$M591.4 million will come from internal and \$M279.6 million from external sources.

Singapore's currency system rules out deficit financing as a means of financing the Development Programme. Capital expenditure must therefore be drawn against real financial resources available. For the years 1955-1959, gross domestic capital formation totalled just over \$M1,000 million with investment in the public sector claiming about \$M500 million. The Plan envisages investment in the public sector amounting to \$M871 million. There is thus a substantial increase in the rates of capital formation in the public sector, the average rate of annual increase being some \$M122 million. Future capital formation is therefore expected to be of the order of 20 per cent of gross domestic product. In general terms, the rate of capital formation planned in the public sector would be sufficiently high to allow a growth in per caput national income in spite of the population growth, provided there is a corresponding increase in investment in the private sector to match the rate of increase in public investment. Investment opportunities in the public sector are conditioned largely by government policy, whereas in private investment business criteria are operative. The existence of both resources and good investment opportunities are vital for private investment.

The implementation of the Plan will depend to a great extent on the building and construction industry, whose activity in the past few years has been at a level of \$M131 million a year. However, it could cope with work up to \$M200 million a year.

AGRICULTURE AND LIVE-STOCK

The Agricultural Division of the Primary Production Department, under the Ministry of National Development, is responsible for governmental activities relating to agriculture. The small area of agricultural land is used mainly to produce food crops for local consumption; to aid local producers, the Department runs an experimental station where trials are carried out with manures and fertilizers such as dried sewage sludge fortified with various chemical compounds. The Government also runs a ploughing service. Until September 1960 only one tractor was used, but as the service proved popular the number of tractors was increased to three in October.

Principal crops

	<u>Area</u> (acres)			<u>Production</u> (long tons)	
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1958</u>	<u>1959</u>
Rubber . . . . .	15,700	15,168	14,608	2,032	2,273
Coco-nuts (nuts) . . . . .	7,610	7,600	7,200	14	14
Vegetable and root crops . .	6,629	6,360	7,680	million	million
Fruit trees . . . . .	4,835	4,940	5,000	0,580	34,675
Tobacco . . . . .	844	759	742	1,500	1,775
				395	342

The expansion in the area under vegetables and root crops in 1960 was caused by an increase in rural settlement.

Live-stock slaughtered

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Buffaloes . . . . .	900	3,400	3,500
Oxen . . . . .	5,100	5,900	6,200
Cats . . . . .	4,200	3,300	2,300
Sheep . . . . .	74,000	81,700	81,700
Swine . . . . .	417,000	436,400	435,100

Poultry-keeping thrives as a rural industry, about 18 million head being kept. Pigs number about 750,000. At the Sembawang Animal Husbandry Research Station, work is being done to up-grade local strains of pigs and poultry by selection and cross-breeding.

FISHERIES

The coastal fisheries are exploited mainly by fishing stakes, drift nets, beach seines and fish nets. Trolling for tuna and long lining are carried out in the adjacent waters. In spite of the increasing production by Singapore-licenced vessels, 75 per cent of the total fish marketed is imported.

POWER

Capacity and output

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Installed capacity (thousand kw) . . .	152	152	186
Output (million kwh) . . . . .	565	616	659

In 1960 construction of the St. James Power Station was substantially completed and the first machines began their reliability trials. A project to build a new power station with an ultimate capacity of 240,000 kw has been approved by the Government.

INDUSTRY

The first comprehensive census of industrial production was taken in 1960. The total output value of manufacturing proper, processing, servicing and repairing was estimated at \$M1,533 million. Of this amount the largest item was



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the manufacture of rubber products, which accounted for an output of about \$M1,204 million. Other important items in terms of output value were: food manufacturing (except beverage) industries, \$M69 million; manufacture of chemicals, chemical products and products of petroleum and coal, \$M56 million; printing, publishing and allied industries, \$M38 million; beverage industries, \$M33.6 million; manufacture of transport equipment \$M28.1 million; manufacture of wood and cork, except furniture, \$M26.7 million; and manufacture of metal products except transport equipment and machinery, \$M24.7 million.

The Jurong area has been chosen as the new industrial district in Singapore as it is the only area that possesses all the necessary conditions for development as an integrated town with access to the sea. About 8,500 acres have been set aside for a waterfront heavy industrial zone as the core of the district.

Facilities are to be provided to enable industries to be grouped in particular areas. Two industrial estate schemes were started in 1960, one being a partnership between the Government and Singapore Factory Development Ltd., providing sites for thirty-four or more small factory units, and the other a project of the Housing and Development Board. The purpose of these industrial estates is to help small industrialists to establish themselves on land leased to them on easy repayment terms.

Cottage industries are of minor importance. The main products are baskets, pottery, fishing nets, wood-carving and silver work.

Industrial production

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Remilled rubber including smoked rubber (thousand long tons) . . . . .	83.9	116.9	126.7
Rubber sheeting (thousand pounds) . . . . .	108.1	58.1	54.6
Rubber hose, reinforced (thousand linear feet) . . . . .	24.7	25.9	41.6
Rubber footwear (million pairs) . . . . .	1.6	1.4	1.8
Rubber compound (thousand pounds) . . . . .	415.5	553.2	645.2
Coco-nut oil (thousand long tons) . . . . .	30.2	20.5	24.5
Soap (thousand long tons) . . . . .	14.4	10.8	10.7
Sago flour and pearl (thousand long tons) . . . . .	14.2	19.9	21.4
Soya bean sauce (million gallons) . . . . .	2.1	2.2	2.3
Biscuits (thousand long tons) . . . . .	8.6	9.5	8.9
Soft drinks (million gallons) . . . . .	75.5	71.2	70.8
Cigarettes, cheroots and cigars (million pounds) . . . . .	0.9	3.0	3.6

TRANSPORT AND COMMUNICATIONS

Motor vehicles registration  
 (31 December)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Motor cars:			
private . . . . .	53,521	57,894	63,344
public . . . . .	3,053	3,296	3,422
Buses . . . . .	1,314	1,342	1,339
Goods vehicles . . . . .	12,280	12,880	13,612
Motor cycles . . . . .	12,253	14,306	18,931

Railway traffic

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Passengers entraining in Singapore for Federation of Malaya . . . . .	228,461	245,483	233,792
Freight to and from Singapore (long tons) . . . . .	418,168	463,811	501,341

Air transport

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Passengers (total arrivals, departures and transit) . . . . .	253,796	279,072	333,175
Freight (thousand kg) . . . . .	5,210	4,964	5,121
Mail (thousand kg) . . . . .	1,275	1,320	1,627

Sea-borne shipping

	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>Net registered tonnage</u> (thousands)		
				<u>1958</u>	<u>1959</u>	<u>1960</u>
Ships entered:						
over 75 tons net register . . . . .	9,970	10,069	10,112	31,307	32,086	33,612
under 75 tons net register . . . . .	<u>7,897</u>	<u>7,937</u>	<u>8,914</u>	<u>421</u>	<u>390</u>	<u>469</u>
Total	17,867	18,006	19,026	31,728	32,476	34,081
	(thousand freight tons)					

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Cargo discharged . . . . .	10,097	9,131	9,602
Cargo loaded . . . . .	5,679	5,075	5,287

Telephones

The Singapore telephone system is entirely automatic and is served from ten exchanges. The ultimate capacity of the exchange buildings is 117,000 lines. The present equipped capacity of the exchanges is 56,100 lines. Direct exchange lines in service at the end of 1960 totalled 37,140, with 19,551 extensions, compared with 32,700 exchange lines and 19,500 extensions in 1958.

## PUBLIC FINANCE

Revenue and expenditure  
(thousand Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Revenue . . . . .	248,281	259,174	269,243
Expenditure . . . . .	251,783	262,582	248,000
Major heads of revenue:			
Income tax . . . . .	66,548	76,657	65,000
Tobacco duties . . . . .	40,564	37,108	43,086
Petroleum revenue . . . . .	32,417	34,242	40,439
Liquor customs and excise duties . . . . .	25,065	24,037	23,500
Receipts from postal and telecommunications services . . . . .	18,711	20,289	17,429
Income from property and investments . . . . .	6,129	11,188	16,023
Some major heads of expenditure:			
Education . . . . .	57,604	60,008	60,052
Health . . . . .	28,373	28,439	48,480
Police . . . . .	24,357	23,494	21,738
Contribution to development . . . . .	36,559	23,058	20,000
Pensions, etc. . . . .	17,013	20,908	16,593
Postal services and telecommunications . . . . .	14,477	13,646	14,698
Social welfare . . . . .	11,695	12,461	13,031
Public debt charge . . . . .	6,480	5,123	11,276
Public works . . . . .	11,372	9,073	8,549
Defence services . . . . .	11,123	7,502	8,266

Development finance

Estimates of future recurrent revenue and expenditure indicate that in the Plan period there will be a revenue surplus of \$M186.3 million. Additional revenue measures are expected to yield another \$M30 million. Increased loan charges which have to be met will be in the region of \$M100.2 million.

Net revenue contribution to development will therefore be \$M116.1 million. Other resources for the Plan include existing balances in the various funds of government and statutory bodies which amount to \$M245.3 million. Internal loan subscriptions are expected to amount to \$M230 million, of which \$M120 million will be from the Central Provident Fund. Internal sources for financing the Plan will total about \$M591 million, more than two-thirds of total capital requirements. External financing required for the Plan will be about \$M279.6 million, of which loans and grants from the United Kingdom have been provisionally estimated at \$M179.6 million. Of this sum, Exchequer loans of \$M43 million and grants of \$M8.6 million have already been promised. A gap of \$M100 million has to be filled by loans from other external sources, possibly the International Bank. Total loan financing (internal and external) would amount to about \$M500 million.

Development Plan, 1961-1964: revenue and expenditure  
 (million Malayan dollars)

	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Total</u>
Revenue:					
Government . . . . .	344.8	357.4	359.5	371.2	1,432.9
Statutory bodies . . . . .	152.6	163.6	174.6	186.6	677.4
Total . . . . .	497.4	521.0	534.1	557.8	2,110.3
Increases consequent on capital programme . . . . .					
	4.0	9.0	14.5	19.5	47.0
Total . . . . .	501.4	530.0	548.6	577.3	2,157.3
Expenditure (excluding defence expenditure):					
Government . . . . .	309.8	320.2	329.0	338.2	1,297.2
Statutory bodies . . . . .	134.3	140.8	148.3	156.2	579.6
Total . . . . .	444.1	461.0	477.3	494.4	1,876.8
Increases consequent on capital programme . . . . .					
	.3	14.6	24.5	33.3	72.7
Total . . . . .	444.4	475.6	501.8	527.7	1,949.5

## INTERNATIONAL TRADE

In 1960, the main policy of liberalizing trade was steadily pursued; open General Licence treatment was extended to a further range of imports including motor cars, trucks, radio receivers and watches. There was little change in export control.

Imports and exports (excluding trade with the Federation of Malaya)  
(million Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Total imports . . . . .	3,100.6	3,105.5	3,225.0
Total exports . . . . .	2,482.0	2,722.7	2,634.6
Principal imports:			
Rubber . . . . .	495.0	751.4	1,360.2
Petroleum products . . . . .	611.0	580.9	573.2
Textile manufactures . . . . .	263.8	215.5	222.7
Rice . . . . .	139.2	86.4	103.5
Principal exports:			
Rubber . . . . .	1,029.1	1,503.1	1,431.8
Petroleum products . . . . .	299.3	308.3	379.2
Textile manufactures . . . . .	116.6	63.0	141.4
Spices . . . . .	74.3	89.4	116.8

Direction of trade  
(percentage of value)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Origin of imports (principal countries):			
Indonesia . . . . .	31.1	36.6	24.5
Federation of Malaya . . . . .	17.1	20.5	20.9
United Kingdom . . . . .	12.9	10.5	8.9
Japan . . . . .	8.7	7.8	7.3
Sarawak . . . . .	5.3	5.9	4.9
United States . . . . .	3.8	4.0	3.8
Destination of exports (principal countries):			
Federation of Malaya . . . . .	21.0	20.9	24.2
United Kingdom . . . . .	10.3	10.1	8.2
United States . . . . .	7.8	10.7	7.0
Japan . . . . .	7.6	7.2	4.5
Australia . . . . .	4.5	4.5	3.9
Indonesia . . . . .	14.2	4.8	3.5

## SOCIAL CONDITIONS

Rapid investment in social capital is necessary to keep pace with the population growth, if the standard of services hitherto provided is to be maintained. But as this investment has often to be made at the expense of even more urgent economic investment, the immediate objective may have to be a modest one of not allowing these services to deteriorate. It may have to be one of containing the situation, in order to give to economic investment the first priority in the allocation of scarce capital resources. Some of the less urgent social investments may have to be postponed.

Expenditure on social development is 40 per cent of the total development expenditure in spite of the priority given to industrial expansion. This is indicative of the vast problems posed for maintenance of social services by the fast population growth.

### Development Plan 1961-1964: Social development expenditure

	(million Malayan dollars)	(per cent)
Health . . . . .	35.80	10.23
Education . . . . .	94.48	27.00
Social welfare . . . . .	1.77	0.51
Housing . . . . .	153.60	43.90
Sewerage . . . . .	47.36	13.54
Community services . . . . .	6.07	1.73
Culture . . . . .	<u>10.80</u>	<u>3.09</u>
Total	349.88	100.00

### Status of Women

Singapore is a cosmopolitan city where Muslims, Chinese, Indians, Europeans and others follow their respective customs and religions. It is in this context that the status of women should be examined. The concept of "one man-one wife" applies only to Christians and those who elect to marry in contemplation of a monogamous union. The law recognizes and gives protection to wives married polygamously. For example, the deserted wife of a polygamous union can obtain an order against her husband for her maintenance. The Women's Charter, however, which is expected to become law shortly, provides that in future the concept of "one man-one wife" will apply to all persons in the State of Singapore except Muslims, without prejudice to existing marriages.

There is no legal discrimination against women in any field of human activity. They have the same opportunities and rights as men to employment in the public service, to participation in politics, business and the professions, and to enjoyment of property.

#### LABOUR AND EMPLOYMENT

The aims of labour policy are to improve working conditions, promote good industrial relations between workers and employers, encourage the growth of healthy trade unions and raise industrial efficiency.

In the absence of any system of compulsory registration for employment, no figures are available to show the full extent of unemployment or under-employment. The number of persons actively seeking employment through the government employment exchange is counted at regular intervals. During 1960 the highest count was 61,052 on 31 August and the lowest 49,555 on 31 January; the average was 54,382.

In recent years net employment has been falling; between 1957 and 1959, for instance, it fell by about 1,000 a year. In addition to the increase in unemployment due to natural increase of population, there is the unemployment created by the migratory surplus from the Federation of Malaya, which in the past ten years has totalled about 75,000. In some years the surplus almost equals the number entering the labour market as a result of natural increase. This migratory surplus is largely a result of a movement to urban areas. Improvements in education and means of communication, and the continuing stagnation of the countryside, lead many young men and women to seek jobs in the towns; Singapore, the largest and most industrialized city in Malaya, has the most attractions.

The Trade Unions Ordinance makes it compulsory for every trade union, whether of employees or employers, to apply for registration. Up to 1959 there were numerous small unions and many rival unions in the same occupation, trade or industry. In 1960 there was the beginning of a determined effort in the labour movement to simplify its diversified structure. At the top is the Singapore Trades Union Congress, which has been recognized by the Government as a national body representing the whole trade union movement in Singapore. Employers' unions are organized on the basis of a particular trade or branch of industry.

The Singapore Trades Union Congress was formerly affiliated to the International Confederation of Free Trade Unions (ICFTU), but it voluntarily withdrew from its affiliation as from mid-1960. Only three unions are known to have established formal relations with international organizations: the Army Civil Service Union, the Singapore Petroleum Workers Union, and the Singapore Teachers Union.

The machinery for the settlement of trade disputes was strengthened by the introduction of the Industrial Relations Ordinance, whereby trade disputes can be referred to the Industrial Arbitration Court.

Distribution of manual workers

	<u>1958</u>	<u>1959</u> (September)	<u>1960</u>
Agriculture, forestry, hunting and fishing .	1,544	1,319	955
Mining and quarrying . . . . .	806	574	765
Manufacturing . . . . .	50,878	44,445	42,945
Construction . . . . .	11,912	9,385	8,753
Electricity, gas, water and sanitary services . . . . .	7,168	7,504	6,643
Commerce . . . . .	9,096	9,941	9,461
Transport, storage and communication . . . .	21,658	21,103	21,534
Government services, including armed forces; community, business, recreation, personal, and other services not elsewhere classified . . . . .	<u>12,290</u>	<u>12,500</u>	<u>14,549</u>
Total	115,352	106,771	105,605



Average daily wage-rates of selected occupations  
(Malayan dollars)

<u>Occupation</u>	<u>Industry</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
<b>Unskilled workers:</b>				
General labourers	Engineering	4.85	3.33	4.83
Labourers (male)	Rubber milling	4.49	13.96	6.35
Labourers (male)	Building construction	5.08	5.71	5.06
Labourers (female)	Building construction	4.43	4.69	4.28
Carriers (male)	Sawmilling	4.41	4.31	4.93
<b>Skilled workers:</b>				
Welder (gas-electric)	Engineering	7.95	8.15	8.42
Boiler makers	Engineering	7.46	6.95	7.48
Motor mechanics	Motor works	7.73	7.65	7.52
Carpenters	Building construction	7.24	9.26	8.28
Electricians	Engineering	7.03	7.60	7.22

Workers' and employers' organizations

	<u>Employee unions</u>			<u>Employer unions</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
Number . . . . .	218	176	130	57	56	56
Membership . . . . .	129,159	146,579	144,770	6,096	6,060	5,784

Labour disputes

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Number of strikes and lockouts . . . . .	22	40	44
Number of man-days lost . . . . .	78,166	26,587	152,005

Vocational training

During 1960 supervisors trained under the Training within Industry Scheme numbered 401 and disabled persons trained numbered fifty-five; at the end of the year 271 apprentices were in training.

CO-OPERATIVE SOCIETIES

There were 105 co-operative societies in 1960, compared with 102 in 1959 and 1958; membership figures for the three years were 37,676, 35,040 and 34,584, respectively.

STANDARD OF LIVING

Cost-of-living index numbers  
 (1939 = 100)

	<u>December 1958</u>	<u>December 1959</u>	<u>June 1960</u>
Higher income groups standard . . .	250.3	252.2	252.0
Clerical workers standard (lower income group) . . . . .	351.9	317.5	313.8

TOWN AND RURAL PLANNING AND HOUSING

One of the most pressing problems is the shortage of housing, arising from the rapid natural increase in population, existing overcrowding in urban areas, and the decay of existing residential structures. About 14,700 dwelling units must be built each year for the next ten years if the housing problem is to be solved within this period.

The main sources for the production of permanent dwellings are the Housing and Development Board, which replaced the Singapore Improvement Trust in 1960, and private enterprise. The former Singapore Improvement Trust was responsible for about half of all permanent dwellings and more than 70 per cent of the public housing built in Singapore from 1947 to 1959. This represented an average of 1,700 units per year, with a maximum of 3,841 units in 1958.

The Housing Development Board has a five-year building programme which is co-ordinated with the Development Plan, 1961-1964. During the period 1961-1964, 51,031 units are to be built at an estimated cost of \$M194.1 million. Units completed in each of the four years are expected to number 7,096, 9,735, 9,690 and 12,750; this will leave a balance of 11,760 units to be built in 1965.

Owing to land shortage, the principal type of housing in the Board's housing estates consists of one, two and three-room flats in multi-storeyed blocks. All are provided with water, electricity, gas and modern sanitation. There are adequate shopping centres and markets, schools, health clinics, community centres and open spaces for recreation.

As a result of a restriction imposed by the Government in 1959 on the letting of building contracts, only 1,682 units of public housing were completed by the Board in 1960. By the end of the year, however, work had begun on 7,000 units.

The low-cost public housing projects of the Housing and Development Board are financed by government loans. At the end of 1960, loans totalling \$M189.6 million had been approved by the Government, repayable at varying rates of interest and over various periods. The last loan approved before the end of the year was for \$M49 million, repayable by half-yearly sums over a period of twenty years with interest at 5 1/2 per cent a year.

Housing for government employees constructed by agencies other than the Housing and Development Board (e.g., the Public Works Department) is expected to decrease in the future; in 1960 only 128 units were completed by these authorities.

Private housing development is primarily a commercial venture designed to meet the needs of the middle and high-income groups. Most private estate developers in Singapore are not interested in long-term investment, and it has been the building societies and finance companies, in their capacity as mortgagors bearing the long-term burden of housing loans, which have stimulated and increased private development in recent years. The average rate of private housing construction in the period 1948-1959 was 1,586 units a year; in 1960 private enterprise completed 1,693 units.

A good proportion of the present housing need is being met by the erection of temporary dwellings, but their rate of production is uncertain as many of them are being built without authority.

The building industry, which was operating much below maximum capacity in 1959, was revived in 1960 largely as a result of the Government's increased capital development programme. In 1960 the Housing and Development Board let out contracts involving expenditure of about \$M32 million. Building costs remained stable during the year and there were no serious shortages of materials or labour.

#### SOCIAL SECURITY

There are two social assistance schemes financed from public funds and administered by the Government, the Public Assistance and the Tuberculosis Treatment and Allowance Schemes. The Public Assistance Scheme provides for the aged, advanced tuberculosis patients, the chronically sick, the physically and

mentally handicapped, widows and orphans, and the unemployed. Under this scheme \$M7.4 million was paid in 1960 to an average of 22,387 families a month. The Tuberculosis Treatment Allowance Scheme provides allowances at rates well above subsistence level to an average of 2,186 patients a month; in 1960 these allowances totalled \$M2 million.

The Workmen's Compensation Ordinance provides compensation to the injured workman, or in case of death to his dependants, for loss of earning capacity caused by injury through accidents arising out of and in the course of his employment.

#### SOCIAL WELFARE

The welfare needs of the people of Singapore are met by the combined efforts of the Government and voluntary welfare organizations. At the end of 1960 there were twenty children's centres, nineteen run by the Department of Social Welfare and one by voluntary workers. The Probation Service of the Department of Social Welfare supervises juvenile probationers, who numbered 132 in 1960. There is an approved school for boys which provides full programmes of workshop and classroom training. The Department of Social Welfare includes sections for the protection and welfare of women and girls; and there are three homes for girls in need of care and protection. Two old people's homes are run by the Department of Social Welfare.

The control of community centres ceased to be the responsibility of the Department of Social Welfare in June 1960, and was given to the People's Association, a statutory organization comprising representatives from cultural, educational and recreational organizations. The People's Association began to build and organize community centres. In addition to recreational activities these centres provide educational and vocational classes. The Association also operates youth clubs and holiday camps.

PREVENTION OF CRIME AND TREATMENT OF OFFENDERS

<u>Offences</u>	<u>Number of persons convicted</u>		
	<u>1958</u>	<u>1959</u>	<u>1960</u>
Against the person <sup>a/</sup> . . . . .	1,025	833	246
Against property . . . . .	802	860	1,014
Other offences . . . . .	54,771	31,915	55,457

a/ The 1958 and 1959 figures include persons bound over, on probation, or otherwise released. No reference to these groups is made in connexion with the 1960 figures.

The daily average prison population was 2,350 in 1960, compared with 1,792 in 1959 and 1,295 in 1958. This increase was caused largely by the Government's campaign against crime and against secret societies in particular.

PUBLIC HEALTH

In the medical and health section of the Development Plan, 1961-1964, the main principles on which proposed action is based are: (1) closer association between the curative and preventive health services; (2) decentralization and reorganization to achieve efficiency and lower running costs; (3) adaptation of the services to the special needs of the community; (4) integration of the Government and City Council Health Services. The major projects planned include: the improvement of existing hospitals; the building of a new district (general) hospital, maternity homes and clinics; and the improvement of dental services and public health measures.

The main hospitals out-patient attendances rose in the last ten years to 3.7 million yearly, and attendances at maternal and child health clinics rose to nearly 500,000.

The Maternal and Child Health Service provides: ante-natal care through "doctor sessions" and "midwife sessions"; free midwifery service for normal cases, and free hospitalization services for both normal and abnormal obstetric cases; post-natal care; health supervision of pre-school children, which includes immunization programmes (87 per cent of infants under one year were brought for

their combined injections against diphtheria, whooping cough and tetanus); supplementary food issues, including milk, vitamins and tonics; home visiting by staff nurses and midwives; Family Planning Association sessions in government clinics, and provision of family planning at certain post-natal sessions and infant welfare sessions.

Based on the findings of a tuberculosis survey carried out in 1958 under the Colombo Plan, an extensive tuberculosis control programme was undertaken, complementing the BCG campaign started under UNICEF auspices in 1951. As part of this programme, in 1960 a mass X-ray campaign was started. The response to BCG vaccination for newly born infants was good. More than half of the infants delivered by government midwives received the BCG vaccination before the age of one month. BCG vaccination is now available on an island-wide basis. A Tuberculosis Control Unit has been established, and the Royal Singapore Chest Clinic is preparing to build a hospital.

A modern out-patient treatment centre for leprosy patients has been started as a result of the policy not to segregate all patients suffering from this disease and to isolate only those in the infectious state.

The demand for water has been growing continually, the average consumption of piped water in 1960 being 66 million gallons a day. The annual increase in the daily consumption is about 3.5 million gallons daily. Three hundred public standpipes were provided in 1960, making a total of 2,200 available to the public. Nearly all dwellings in the city areas and the developed parts of the rural areas have piped water supplies. In the truly rural areas the population still depends on well water and anti-malarial wash wells.

At the end of 1960 there were nearly 300 miles of sewers serving a population of about 700,000 in the city area. The total number of premises served was 39,000. Plans to extend the sewerage system to cover the entire city area and some regions beyond the city limits are being drawn up. Sewage is treated in two main disposal works, both of which are seriously overloaded. At present, unsewered areas are mainly in the rural area and include outlying residential areas; also unsewered are the central and more congested parts of the city area which were developed before the introduction of a sewerage system. Temporary branch sewers are being provided for these areas; by the end of 1960, work within one mile of the city centre had been substantially completed.

Expenditure  
(million Malayan dollars)

	<u>1958</u>	<u>1959</u>	<u>1960</u>
Recurrent expenditure . . . . .	34.5	34.2	40.8
Capital expenditure . . . . .	<u>7.6</u>	<u>3.2</u>	<u>8.2</u>
Total . . . . .	42.1	37.5 <sup>a/</sup>	49.0

a/ Variation in total caused by rounding.

Medical and health staff

	<u>1958</u>		<u>1959</u>		<u>1960</u>	
	<u>Govt.</u>	<u>Private</u>	<u>Govt.</u>	<u>Private</u>	<u>Govt.</u>	<u>Private</u>
Registered physicians . . .	318 <sup>a/</sup>	323	313 <sup>a/</sup>	357	291 <sup>a/</sup>	339
Licensed physicians . . . .	... <sup>a/</sup>	...	... <sup>a/</sup>	...	9	7
Dentists, qualified . . . .	34 <sup>a/</sup>	42	31 <sup>a/</sup>	39	52	42
Dentists, registered						
Division II or						
unqualified . . . . .	...	241	...	242	-	231
Nurses of senior training .	974	217	831	225	882	552
Partially trained nurses						
(student nurses) . . . .	450	...	601	...	298	56
Assistant nurses . . . . .	199	25	222	49	...	...
Pupil nurses . . . . .	153	...	200	...	...	...
Midwives of senior						
training . . . . .	162 <sup>b/</sup>	110 <sup>b/</sup>	212 <sup>b/</sup>	248 <sup>b/</sup>	601	379
Pharmacists . . . . .	22 <sup>a/</sup>	64	20 <sup>a/</sup>	70	23	71

a/ Excluding the following members of the teaching staff of the University of Malaya: registered physicians, who numbered thirty-five in 1958 and thirty-four in 1959; qualified dentists, fourteen in 1958 and 1959; pharmacists, five in 1958 and three in 1959.

b/ Midwives actually practising. Nearly all trained nurses have midwifery certificates.

Institutions

	1958	<u>Number of beds</u>	
		<u>1959</u>	<u>1960</u>
Government hospitals:			
General . . . . .	1,191	1,231	1,191
Kandang Kerbau (maternity) . . . . .	316	316	445
excluding cots			
Tan Tock Seng (tuberculosis) . . . . .	1,142	1,144	1,150
Middleton (infectious diseases) . . . . .	250	250	250
St. Andrew's (orthopaedic) . . . . .	120	120	...
Trafalgar (leprosy settlement) . . . . .	1,023	1,023	1,020
Woodbridge (mental) . . . . .	2,222	2,040	2,220
Middle Road (venereal diseases) . . . . .	65	65	65
Prisons . . . . .	160	160	...
St. John's Island (opium treatment) . . . . .	20	20	...
Police Training School . . . . .	20	20 <sup>a/</sup>	...
Thomson Road (district) . . . . .	-	396 <sup>a/</sup>	...
Private hospitals . . . . .	612	742	...

<sup>a/</sup> Opened in November 1959.

In 1960 there were sixty-three maternal and child health centres, twenty-four dispensaries and eleven mobile units.

Institutions for the training of medical personnel

<u>Institution</u>	<u>Training course for</u>	<u>Length of programme</u>	<u>Qualifications for course</u>	<u>Number trained per year</u>
Medical Faculty, University of Malaya	medical practitioners	6 years	M.B.Bs.	65
	dentists	5 years	B.D.S.	25
	pharmacists	3 years	Dip. Pharm. or B. Pharm.	10
	Diploma of Public Health	9 months	D.P.H.	6
School of Nursing, General Hospital	nurses	3 years 4 months	S.R.N.	135
	psychiatric nursing	3 years 4 months	N. Cert.	20
Kandang Kerbau Maternity Hospital	midwives	2 years 6 months	C.M.B.	50
	health visitors and district nursing	1 year	Nursing Certificate	12
Public Health Nursing Course, Institute of Health	public health inspectors	9 months	R.S.H. Diploma	20



## EDUCATIONAL CONDITIONS

Educational policy is based on a threefold aim: (1) equal treatment for the four streams of education, Malay, Chinese, Tamil and English; (2) the establishment of Malay as the national language of the State of Singapore; (3) emphasis on the study of mathematics, science and technical subjects. The choice of the medium of instruction is left entirely to the parents. The standards aimed at are the same in all schools with common curricula and syllabuses, with teachers trained in the same Government Training College, and with the same degree of supervision exercised by the Inspectorate of the Ministry of Education.

Primary education is available free of charge to all children of the correct age who have been born either in Singapore or the Federation of Malaya or are children of Singapore citizens. Secondary school children pay a nominal fee of \$M4 a month. In all schools, in addition to scholarships and bursaries, remission of school fees is allowed for needy children. There is no compulsory education.

The average age of entrance to the primary school is six years plus. The primary course is of six years, at the end of which all pupils compete for places in secondary schools. The secondary school course is of four years, at the end of which pupils take the Secondary School Leaving Examination. There are then pre-university classes during a two-year period in selected secondary schools, at the end of which the Higher School Certificate is taken.

Those who are found academically unsuitable for the usual secondary grammar, technical or commercial type of education after the primary school leaving examination are given two years of education geared towards vocational education.

There are no differences in opportunity between urban and rural communities. In the preamble of the Singapore (Constitution) Order in Council 1958 it was stated that it would be the deliberate policy of the Government of Singapore to further the interests of the Malays. While long-term steps were being taken to strengthen the economic position of the Malays, the immediate problem was to expand the opportunities open to Malays for secondary and higher education. All Malay students who were born in Singapore or whose parents were Singapore citizens,

and who were attending government or government-aided secondary schools, were to be given free education. Malay students in the University of Malaya, and future Malay students of the University, would get free university education.

The two main aims underlying the educational part of the Development Plan, 1961-1964, are: (1) to provide at least two years of post-primary education with a vocational bias; and (2) to provide more schools for secondary education with a technical and science bias. It has been estimated that over the period 1961-1964 there will be an increase of 133,690 pupils, of whom almost 108,000 will require primary and vocational-commercial education and more than 25,000 will require grammar-technical education. To meet the needs of increases in pupils, an average of nineteen schools per year will be required in the Plan period.

Including capital expenditure, the cost of education in 1960 was \$M60.9 million, compared with \$M63.1 million in 1959 and \$M68.9 million in 1958. Contributions to the University of Malaya in 1960 totalled \$M2.7 million and to Singapore Polytechnic \$M1.4 million.

Number of schools, March 1961

<u>Type</u>	<u>Number</u>
Pre-primary (kindergarten) . . . . .	44
Primary . . . . .	627
Secondary . . . . .	75
Full (primary and secondary combined) . . . . .	47
Vocational . . . . .	6
Polytechnic . . . . .	1
Teacher-training . . . . .	1
Universities . . . . .	2
Theological college . . . . .	11
Special schools . . . . .	6

At the end of 1960 education was being provided for about 353,500 pupils in 750 regular primary and secondary schools. Of these pupils, about 15.3 per cent were in secondary classes.

It is estimated that in the period 1960-1964 the number of children between the ages of 6 and 17 will increase from 455,149 to 584,654, and that the school-going population will increase to 475,190.

To meet this expected increase in the number of pupils the following schools have to be built:

Minimum number of new schools required, 1961-1964

	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Total</u>
Primary . . . . .	11	8	6	6	31
Vocational-commercial . . . . .	9	9	4	5	27
Grammar/technical . . . . .	3	1	5	9	18

In order to run these schools it will be necessary to recruit 4,280 teachers.

Number of new teachers required, 1961-1964

<u>Qualifications</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Total</u>
Non-graduates . . . . .	1,280	970	750	840	3,840
Pass graduates . . . . .	40	10	60	110	220
Honours graduates . . . . .	40	10	60	110	220
Total . . . . .	1,360	990	870	1,060	4,280

At the end of 1960 there were 10,935 teachers employed, 46 per cent of whom were trained teachers.

At the end of 1959 the Singapore Polytechnic had 2,227 students taking courses in four departments: accountancy; nautical; engineering; building and architecture. Eight hundred and two were full-time students, 453 were students released by their employers to attend one full day and two evenings a week, and the rest were evening students.

At the end of 1960 the University of Malaya had 1,181 men and 424 women students, of whom 766 were from outside Singapore. At the end of 1959, 1,861 students were at Nanyang University.

Where circumstances warrant it, schools are integrated to allow for different language streams. The maximum number of pupils per school is 1,320 for each session; schools are usually run in two sessions, morning and afternoon; some have night sessions for adult education classes.

It has been difficult to get sites for schools in the congested town areas where the majority of the population (of whom about 20 per cent are in the primary

school group) are resident, especially as the minimum standards call for at least one acre of free playing area for an eighteen-classroom primary school.

Adult education is controlled by the Adult Education Board, set up under the Adult Education Board Ordinance of 1960. Adult education work is done mainly through literacy classes in Malay, Chinese, Tamil and English at elementary, intermediate and advanced levels, and through classes offering secondary school education to those who did not successfully complete such education in schools. The Adult Education Board also organizes courses in prisons and for police personnel. Academic courses organized by the staff of the University of Malaya and Nanyang University are also held.

#### CULTURAL INSTITUTIONS AND MASS COMMUNICATIONS

The National Library contains about 150,000 volumes, including a large and important collection of books on Malaya. There are four part-time branches. Books for children are provided at each library, and there is a separate children's library at the Central Library. Books in Chinese, Malay, Tamil and English are available. A mobile library serves the rural areas. A new library building, begun in 1957, was completed by the end of 1960.

The National Museum contains collections covering the zoology, ethnography and archaeology of the Malaysian region and the history of Singapore and Malaya.

In 1960 there were nine daily newspapers in Malay, Chinese, Tamil and English; one twice-weekly paper in Chinese, five Sunday papers in the four languages; and three journals published by three political parties.

There were forty-six closed and twenty-three open air cinemas in 1960, showing films in the four languages. Average weekly attendance totalled about 200,000 a week.

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