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SUPPLEMENTS

TO THE



F.M.S. GOVERNMENT GAZETTE,

1925.

KUALA LUMPUR:
PRINTED AT THE FEDERATED MALAY STATES GOVERNMENT PRINTING OFFICE
11-3-1926.

1926.

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SUPPLEMENT

TO THE

F.M.S. GOVERNMENT GAZETTE,
1925.

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ANNUAL REPORT OF THE CHIEF SECRETARY TO GOVERNMENT
FOR THE YEAR 1924.

PUBLISHED BY AUTHORITY.

PRICE 50 CENTS.

KUALA LUMPUR:

PRINTED AT THE FEDERATED MALAY STATES GOVERNMENT PRINTING OFFICE.

1925.

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FEDERATED MALAY STATES.

REPORT

OF THE

CHIEF SECRETARY TO GOVERNMENT

FOR THE YEAR 1924.

[*The value of the dollar is 2s. 4d.*]

[*A pikul is 133½ pounds av.*]

PREFATORY NOTE.

I.—HISTORICAL.

1. The Federated Malay States comprise four States: Perak, Selangor, Negri Sembilan and Pahang.

PERAK.

Perak is ruled by a dynasty that claims descent from the last Malay Sultan of Malacca. In the XVIIth century, it was overrun by the Achehnese, and at some time after 1636 a Johore prince, the husband of a Perak princess, was sent by Acheh to rule it under the title of Sultan Mudzaffar Shah. From 1650 onwards, the Dutch endeavoured to get a monopoly of the tin exported from Perak, establishing near the mouth of the Perak river several factories, which the Malays, from time to time, cut off and destroyed. The ruins of a factory opened in 1690 may still be seen at Pangkor. In 1765 the Sultan made a treaty with the Dutch.

2. British influence began early in the XIXth century. A treaty with Penang in 1818 secured to British subjects the right to free trade in Perak. In 1825 a British arbitrator settled the boundary between Perak and Selangor. By the Burney Treaty with Siam in 1826, the independence of Perak and Selangor was recognized, though the Sultan of Perak was permitted to send tribute to Siam if he desired. In the same year, the Sultan ceded to the British the Dindings and the Island of Pangkor as posts for the suppression of piracy, and agreed to rely solely on the protection of Great Britain. From 1872 to 1874 there was almost continuous fighting of more or less severity between rival factions of Chinese in the Larut district where valuable tin deposits had been found.

3. Having regard to the anarchy which prevailed, Sir Andrew Clarke, in 1874, induced the Perak chiefs to sign the Pangkor Treaty, and to accept thereby a Resident whose advice should be "asked and acted upon on all questions other than those touching Malay religion and custom". The murder of the first British Resident (Mr. J. W. Birch) in 1875 led to a military expedition. The country soon settled; and the Malay constitution was restored under a Sultan protected by the British Government. The present Ruler is His Highness Paduka Sri Sultan Iskandar Shah, K.C.M.G., ibni Idris.

SELANGOR.

4. In the XIVth century, Klang, which is now a district of Selangor, is said to have been subject to the Javanese Empire of Majapahit. In the next century, it was given a Penghulu of the family of the Bendaharas of old Malacca, and a son of Sultan Mansur Shah (1458-1477 A.D.) of Malacca

by a Chinese wife was made Ruler of Jeram near Langat. During the period of Portuguese ascendancy, little is known of the Selangor coast. Barbosa speaks of "much and good tin" won in Selangor. The Dutch opened factories for the purchase of tin at Kuala Selangor and at Kuala Linggi. In 1718 A.D., Daeng Chelak, a Bugis chief, who had married a Johore princess, settled at Kuala Selangor, and about 1780 their descendant was recognized as Sultan Salehu'd-din by the Ruler of Perak. The throne has remained in the same family ever since. After the failure of an attack on Malacca by a Bugis prince of Riau, Raja Haji, in 1783, the Dutch blockaded Kuala Selangor, and forced the Sultan to acknowledge the suzerainty of Holland.

5. In 1818, the Sultan of Selangor made a commercial treaty with the East India Company at Penang. In 1874, anarchy prevailed amongst the Malay chiefs of Selangor, and pirates ravaged the coastal trade. The Sultan's difficulties were such that he was glad to accept a British Resident, and to come under the protection of Great Britain. The present Ruler is His Highness Sultan Ala'idin Sulaiman Shah, K.C.M.G., ibni Al-Marhum Raja Muda Musa.

NEGRI SEMBILAN.

6. This federation of "Nine States" consists of the four major States of Sungai Ujong, Jelebu, Johol and Rembau, and the five minor States of Ulu Muar, Jempul, Terachi, Gunong Pasir and Inas. Sungai Ujong is mentioned in a Javanese poem in 1365 A.D. as being subject to the Javanese Empire of Majapahit. In the XVth century, it was ruled by Chiefs of the old kingdom of Malacca. Nearly all the Malay inhabitants of the "Nine States" are descended from immigrants from Menangkabau in Sumatra, and have an interesting matrilineal sociological system. Portuguese accounts prove that this immigration had begun in the XVIth century. The evidence seems conclusive that the original Malay federation consisted of Sungai Ujong, Klang (now a district of Selangor), Jelebu, Rembau, Naning (now part of Malacca), Segamat (now in Johore), Pasir Besar (also in Johore, its place having been taken by Johol), Jelai (now Inas) and Ulu Pahang, the region between the Ulu Serting and Temerloh. After the wresting of Malacca from the Portuguese by the Dutch and the Johore Malays in 1641 A.D., Johore took a leading part in Negri Sembilan politics until 1773 A.D., when the Undang or Chiefs of the four major States brought from Sumatra a Yam Tuan named Raja Melewar, ancestor of the present Yang di-pertuan Besar.

7. In 1874, the Dato' Klana, Chief of Sungai Ujong, the most important of the "Nine States" invited and obtained the assistance of the British Government to maintain his rule, and the appointment of a British Resident. In 1883, Jelebu applied for a British officer; and Rembau agreed to refer all its disputes to the British Government, and in 1887 accepted a British adviser. In 1889, the Yam Tuan of Sri Menanti and the Rulers of Tampin and Rembau asked for a Resident, and agreed to a confederation known as "The Old Negri Sembilan". In 1895, the Resident of this confederation took charge of Sungai Ujong and of Jelebu, and the modern Negri Sembilan was constituted. Finally, in 1898, the Yam Tuan of Sri Menanti was elected titular Ruler of the whole State. The present Ruler is His Highness Muhammad, K.C.M.G., ibni Al-Marhum Antah, Yang di-pertuan Besar, Negri Sembilan.

PAHANG.

8. Chao Ju Kua, a Chinese, writing about 1225 A.D., mentions Pahang as being subject to the old Sumatran Buddhist kingdom of Sri Vijaya. Later, Pahang and Tioman are claimed as conquests of Majapahit. Chinese records of the XVth century speak of the people of Pahang making human sacrifices. The "Malay Annals" tell of a town, Pura, near the estuary of the Pahang river, and mention the gold dust, the elephants and the wild oxen of the country. In the XVth century, Sultan Mansur Shah of Malacca captured the Ruler of Pahang, and married his daughter. Modern Muhammadan Pahang starts with Rulers of the royal house of Malacca. In 1618, the redoubtable Mahkota Alam raided Pahang, and carried off one of its Rulers, who became father of a Sultan of Acheh. Before the old Malacca royal house died out in 1699, its Pahang branch provided several Rulers for the senior throne of Johore, which directly represented the Malacca dynasty. Later, Pahang fell under the suzerainty of the new Sultans of Johore, who, when they removed to Lingga, left a Dato' Bendahara in charge of Pahang.

9. In 1887, Sir Frederick Weld negotiated a treaty with the Bendahara of Pahang, promising British help in the event of external attack, and arranging for a British agent to be stationed at his capital. At the same time, the title of Sultan was substituted for that of Dato' Bendahara. In 1888, the Sultan applied for and obtained British protection, and the appointment of a Resident. The present Ruler is His Highness Al-Mu'tasim Bi'llah Al-Sultan Abdullah, K.C.M.G., ibni Al-Marhum Al-Sultan Ahmad Al-Maazam Shah.

CONSTITUTION OF THE STATES.

10. The supreme authority in each State is vested in the Sultan, or the Ruler, in State Council. His Highness the Sultan or the Ruler presides over the State Council. The British Resident is a member, and in Perak and in Selangor the Secretary to Resident is also a member. The other members consist of members of the royal family, the leading chiefs and some Chinese. Since the creation of a Federal Council, the State Councils legislate only in matters affecting the State.

THE FEDERATION.

11. In 1895, a Treaty was signed by the Rulers of the four States by which they agreed to constitute their countries into a Federation, which was to be known as the Federated Malay States, and to be administered under the advice of the British Government, while all existing treaties and arrangements were to stand. The States agreed to the appointment of an officer to be styled Resident-General (a title which has since been altered to Chief Secretary to Government) as the agent and representative of the British Government under the Governor of the Straits Settlements. They agreed to follow his advice in all matters of administration other than those touching the Muhammadan religion, provided that the relations between the Malay Rulers and the British Residents remained unaffected. In 1909, a Federal Council was created in order to give effect to a desire for the joint arrangement of all matters of common interest to the Federation or affecting more than one State, and for the proper enactment of all laws intended to have force throughout the Federation or any more than one State. The Federal Council, as now constituted, consists of the High Commissioner for the Malay States (an appointment held *ex officio*

by the Governor of the Straits Settlements) as President, the Chief Secretary to Government, Federated Malay States, Their Highnesses the Sultans of Perak, Selangor and Pahang, His Highness the Yam Tuan of Negri Sembilan, the four British Residents, the Legal Adviser, the Financial Adviser, and eight unofficial members, who are nominated by the High Commissioner with the approval of His Majesty the King. The Federal Council generally meets at least three times a year. All Federal legislation is passed by it, and the estimates of expenditure and revenue require its approval.

II.—GEOGRAPHICAL.

12. Perak is the northernmost of the three States on the West Coast of the Peninsula. It comprises 7,800 square miles. On the North, it borders with Province Wellesley (Straits Settlements), Kedah and Siam; and on the East, it is separated from Kelantan and Pahang by the main range of granite mountains that form the backbone of the Peninsula. The Perak river (170 miles long) is the principal river of the State. On the North, the Krian river is the boundary with Kedah; and on the South, the Bernam river separates the State from Selangor. The highest mountain is Korbu (7,160 feet). The capital of the State is Taiping.

13. Selangor (3,156 square miles), also on the West Coast, is separated from Pahang on the East by the mountain range, and from Negri Sembilan by the Sepang river. Its highest peak is Ulu Kali (5,820 feet). Port Swettenham, the principal harbour of the Federated Malay States, is situated on the estuary of the Klang River in this State. Kuala Lumpur, the Federal capital, and also the capital of the State, is situated some thirty miles further up the Klang River.

14. Negri Sembilan, south of Selangor, comprises 2,550 square miles. On the South, it borders with Johore, and on the East, with Pahang. In the southern part of the State, the great mountain range has disappeared, and the water-parting between the West and East Coast is merely hilly, and in places is nearly flat ground. The highest peak in Negri Sembilan is Telapak Burok (3,915 feet). Seremban is the capital.

15. Pahang, the only State of the Federation on the East Coast, comprises 14,000 square miles. It is bordered on the South by Johore, on the West by Negri Sembilan, Selangor and Perak, and on the North by Trengganu and Kelantan. The highest mountain in the Peninsula (Tahan, 7,184 feet) is in this State.

III.—CLIMATE.

16. The temperature of the West Coast of the Malay Peninsula has but a small daily range and little appreciable variation. On the East Coast, however, the North-East Monsoon, lasting from November to March, causes a distinct meteorological contrast with the rest of the year as regards wind and rainfall. Records from typical stations on the West of the Peninsula where the South-West Monsoon is broken by Sumatra show a decrease of rainfall from May to August. At Kuala Lipis, on the east of the main range, there is a general rise in rainfall from February until May, succeeded in some years by a distinct drop in July and August: there is a further rise culminating in October and November, followed by a fall to moderate rainfall in December and January. Charts, however, cannot bring out two points: the brilliant sunshine, which is the rule during the morning, and the dry spells of a fortnight or more, when the grass becomes parched. In

the mountains, the rainfall is very high, the average yearly rainfall at "The Cottage" (Maxwell's Hill) above Taiping from 1912-1919 being 258 inches. At Jelevu in Negri Sembilan, the driest station where records were kept, the average for 1905-1919 was 60 inches. The heat, owing to the moisture of the atmosphere, is at times oppressive, although 100° has never been recorded in the shade. The nights are cool. On the highest mountains, the temperature has been known to fall at nights to 46° Fahrenheit. In the day time, there is almost always a breeze to modify the heat. The Peninsula lies within the region of the South-West and North-East Monsoons, but, owing to the barrier provided by Sumatra, the only really strong wind is the North-East Monsoon, which strikes the East Coast from across the China Sea. Violent squalls, known as "Sumatras", are not infrequent on the West Coast of the Peninsula between April and September. Generally, they are of short duration and occur during the night.

IV.—STATISTICS.

17. The return, which forms the appendix to this report, shows for every year from 1889 onwards particulars of revenue, expenditure, imports, exports, duty on tin, duty on rubber, land revenue, railway receipts and population.

V.—POPULATION.

18. The census taken on the 24th April, 1921, shows that the population of the Federated Malay States was then 1,324,890, having increased since 1911 by 27.7 per cent. Of this population 853,528 are males and 471,362 females, the rate of increase since 1911 having been 17.7 and 51.1 respectively.

The Malay population rose from 420,840 in 1911 to 510,821 in 1921, an increase of 21.3 per cent. The rates of increase of the Malay population were 20.1 per cent. in Perak, 41.3 per cent. in Selangor, 11.3 per cent. in Negri Sembilan, and 17.3 per cent. in Pahang. The very high rate of increase in Selangor, where, in the Kuala Selangor district, the Malay population practically doubled since 1911, is due to the influx of foreign Malays, who have settled in the Coast districts to plant rubber.

The Chinese population of the Federated Malay States was 494,548 or only 61,304 more than in 1911. Practically the whole of this increase was in Chinese females, who now number 351 to 1,000 males as compared with 188 in 1911, and the lessening disparity between the sexes among the Chinese is gratifying as indicating a general tendency towards their permanent settlement in the Federated Malay States.

The rise in the Indian population was a marked feature of the 1921 census. In 1901, 58,386 persons of Indian nationality were enumerated; ten years later the number had risen to 172,465, the increase synchronising with the early development of the rubber planting industry, while in 1921 Indians in the Federated Malay States totalled 305,219. The percentages of increase since 1911 were 77.2 in Perak, 78.9 in Selangor, 84.4 in Negri Sembilan, and 31.4 in Pahang. More than four-fifths of the Indians in the Federated Malay States are Tamils.

The European population of the Federated Malay States rose from 3,284 in 1911 to 5,686 in 1921, of whom 93.2 per cent. are of British nationality. The most satisfactory feature of the census is that all the statistics, of sex, of marriage, of age and of birth place, show that the immigrant races, who have done so much to develop the resources of the

Federated Malay States, are ceasing to look upon these States as a place of temporary sojourn and are tending more and more to make their permanent home here.

VI.—RAILWAYS.

19. The Federated Malay States Government owns the railways both in the Federated Malay States, the Straits Settlements (Singapore Island, Malacca, Province Wellesley) and the Unfederated States of Kedah, Perlis and Kelantan. It has leased the Johore State Railway (120 miles), extending from Johore Bahru at the southern extremity of the Peninsula and opposite Singapore Island, to Gemas on the boundary between Johore and the Federated Malay States. At Gemas, the line branches into the West Coast and the East Coast lines; the West Coast line runs North-North-West through Negri Sembilan, Selangor, Perak and Province Wellesley to Prai—the port opposite Penang Harbour—about 488 miles from Singapore. From Bukit Mertajam, seven miles from Prai, the line proceeds through the Unfederated States of Kedah and Perlis to the Siamese frontier station of Padang Besar, 580 miles from Singapore. Through traffic with the Royal State Railways of Siam was opened on July 1st, 1918, the distance between Singapore and Bangkok being 1,188 miles.

20. The East Coast line proceeds northward from Gemas through Negri Sembilan and Pahang towards Tumpat, Kelantan. It is completed and opened for traffic as far as Chigar Perah Station, 23 miles beyond Kuala Lipis, the capital of Pahang, and 164 miles from Gemas. At the end of 1924, the permanent way had been laid as far as the 170th mile. A section of 53 miles in Kelantan, between Tumpat on the East Coast and Krai, is open for traffic, and this line when extended southward will meet the East Coast line from Gemas and provide through direct communication with Singapore from Kelantan. Construction is in progress southwards of Krai towards Pahang. The distance from railhead in Kelantan to railhead in Pahang is 95 miles. Railhead at the end of 1924 was at the 63rd mile and earthwork, etc., was in progress up to Pergau, 87th mile. An extension—13 miles long—has been made from Pasir Mas in Kelantan to the Golok River at the Siamese boundary, where it joins the Siamese line running to Haad Yai Junction, 145 miles distant, where a junction is made with the main Bangkok-Penang-Singapore line. Through working between the Federated Malay States and Kelantan via the Royal State Railways of Siam commenced on November 1st, 1921.

21. Branch lines connect the main line with the ports on the West Coast at Malacca, Port Dickson, Port Swettenham, Teluk Anson Wharf and Port Weld. At Prai on the mainland opposite Penang, work as contemplated on the wharves has been carried out. A causeway to carry two lines of rails and a roadway has been built across the Johore Strait connecting the Island of Singapore with the mainland.

22. The total length of line (first track) now open to traffic under the Federated Malay States Railway Administration is 1,001 miles. The line is of metre gauge. On the mail trains on the West Coast main line, there are sleeping saloons and restaurant cars. There are 243 permanent stations and 28 flag stations. The expenditure on capital account (including lines not yet open for traffic) was \$195,771,143 up to 31st December, 1924, of which \$172,837,743 was met from current revenue, and \$22,933,400 from loan account.

VII.—HILL STATIONS.

CAMERON'S HIGHLANDS.

23. Cameron's Highlands (between Perak and Pahang) are named after the late Mr. William Cameron, a Government Surveyor, who was exploring the mountain ranges in 1885. There is an area somewhat oval in shape about $3\frac{1}{2}$ miles long and 3 miles wide at an elevation of about 4,800 feet containing an area of about 5,300 acres of fairly level ground. A meteorological station has been established at the place, and the Government is considering the advisability of making a road to it, and developing it as a hill station.

FRASER'S HILL.

24. Fraser's Hill (between Selangor and Pahang) is named after Mr. L. J. Fraser, who first developed it in the "nineties" as a tin mining area. A company later took over the property; and after some years, partly owing to the tin deposits being exhausted and partly owing to trouble connected with water, mining was stopped. The only access then was by a path some 5 miles long, which connected it with the Gap on the main trunk road between Kuala Kubu and Raub. The Government bought the mine-manager's house which is reserved for the use of the British Resident, Pahang, but did little more to develop the place, until the year 1919, when provision was made in the annual estimates for the survey of the trace of a road from the Gap. The road was commenced in the year 1920, and finished in 1922. The Government has at present there eight bungalows, which are intended for the use of Government employees, but which may be occupied by other than Government employees if there is a vacancy. From a Red Cross Fund, a house known as "Red Cross House" has been built, and is primarily for the use of ex-Service men and women. Three other houses are being built from the same fund. One will be for women and children, another for persons with small salaries, and another a hostel for Nursing Sisters. The Government gives 99-year leases of land on most favourable terms. One private house has already been built; two others are in the course of erection, while others will be started at an early date. A small golf course, and a cricket and football ground are being made, and there are several tennis-courts. By the end of the year 1926, six miles of metalled development roads serving the bungalow sites will have been completed.

GUNONG ANGSI.

25. This is a small hill station containing only a single bungalow at a height of approximately 2,500 feet. It is approached from the Tampin-Seremban Road, and is reached by a good bridle-path.

GUNONG TAHAN.

26. The establishment of a hill station at Gunong Tahan was first considered in 1912, and Sir Arthur Young, then High Commissioner for the Malay States, led an expedition to the mountain, with a view to investigating its possibilities. As a result of this visit, a topographical survey was carried out in 1913, and surveys were made for a road and railway connection. The length of the line from the junction of the Pahang-Kelantan line was approximately 30 miles, of which 20 miles were to be constructed as an ordinary railway, and 10 miles as a rack railway. The outbreak of the war prevented further

progress with the scheme. Meteorological observations were taken from July, 1921, to July, 1923. The rainfall for the first year was 137.78 inches, and for the second year 161.69 inches. The rainiest month was January, 1923, with 29 inches, and the driest was February, 1923, with 2.43 inches. The highest maximum temperature recorded was 76° F. on three occasions, and the lowest minimum temperature 48° F. There appears to be no record of investigations into the area available for the residential purposes or for cultivation. When the revised programme of works in connection with the Loan Account was prepared in 1921, the provision for the railway to Gunong Tahan was omitted, and the proposal for the development of Gunong Tahan as a hill station is, for the present at least, abandoned.

KLEDANG.

27. This hill is 2,646 feet above sea-level, and has only two bungalows. It is reached by a large road to the foot of the hill, and a good bridle-path, $4\frac{1}{2}$ miles long, leads to the bungalows.

MAXWELL'S HILL.

28. Maxwell's Hill is situated on the mountain range near Taiping, the capital of Perak, and is named after the late Sir William Maxwell, K.C.M.G., who, as Assistant Resident, first made a clearing there. At the Tea Gardens (2,152 feet) on the way up, there is a bungalow with eight bed-rooms. At Maxwell's Hill itself there are six comfortable bungalows at an elevation of between 3,400 and 3,650 feet. "The Cottage" (the bungalow of the Chief Secretary to Government) and "The Box" (the bungalow of the British Resident, Perak) are on two peaks at heights of 4,530 feet and 4,076 feet respectively. The rainfall of the hill is high, but the flower gardens are attractive, and the dairy and vegetable gardens are well maintained.

ANNUAL REPORT, 1924.

I.—FINANCIAL.

1. The estimates of revenue and expenditure for the year 1924 provided for a revenue of \$60,559,330 and an expenditure (excluding capital expenditure, which was mainly to be met from loan moneys) of \$59,878,864. BUDGET FOR 1924.

2. The actual revenue for the year was \$70,715,407 and the expenditure was \$54,161,234. Thus the surplus was \$16,554,173 against an estimated surplus of \$680,466. The principal excesses as compared with the estimate were \$5,115,519 under Customs, \$1,087,303 under Fees of Court, etc., \$1,137,690 under Interest and \$1,210,202 under Railways. The largest savings in expenditure were: Railways, \$1,470,355; Medical, \$961,507; Public Works Department, \$434,563; Municipal, \$323,271; Forests, \$307,706; Posts and Telegraphs, \$304,432; and Miscellaneous Services, \$285,482. Excesses over estimated expenditure totalled \$332,337, the largest item being \$181,694 under Rulers and Native Officers. ACTUAL REVENUE
AND EXPENDITURE.

3. The public debt remained the same as at 31st December, 1923, namely, the Straits Settlements 7 per cent. Loan of \$15,000,000, and the Straits Settlements Sterling Loan of (£9,355,000) \$80,185,714, the first instalment of which (£5,155,000) was issued in December, 1921, at 97, bearing interest at 6 per cent., and the second instalment (£4,200,000) was issued in May, 1922, at 95, bearing interest at 4½ per cent. After deducting the expenses of issue, the proceeds of these two instalments amounted to \$74,297,549. Of this sum, \$31,548,615 has been spent upon Railway and other works, and the unexpended balance on the 31st December, 1924, was \$42,748,934. Investments specially earmarked, from the proceeds of the sale of tin, for the redemption of the Straits Settlements 7 per cent. Loan, 1926, amounted on the 31st December, 1924, to \$13,871,914. THE PUBLIC DEBT.

4. The Siamese Government Loan (£4,630,000) \$39,685,714, which is repayable by 26 annual instalments commencing on the 1st January, 1924, has been reduced to \$38,790,112 on 31st December, 1924, by the payment of the first instalment due on 1st January, 1924. As this loan is being repaid by equal yearly payments to include principal and interest, the principal part of the instalments will steadily increase. THE LOAN TO SIAM.

5. On 31st December, 1924, the State of Kedah had reduced its debt to \$400,000. The total loans to the Unfederated States and to Brunei amount to \$4,752,429, and are made up as follows: Kedah, \$400,000; Kelantan, \$3,684,929; Perlis, \$250,000; and Brunei, \$417,500. LOANS TO UNFEDER-
ATED STATES
AND BRUNEI.

6. The surplus on the 31st December, 1923, was \$35,642,378. As the revenue for the year exceeded the expenditure by \$16,554,173, the surplus was increased to \$52,196,551 on the 31st December, 1924. The statement immediately following shows that the whole of this surplus is not represented by cash, but shows that advances at call, and other temporary investments with the Crown Agents have risen to \$29,828,311 from \$15,551,027 on the corresponding date in the preceding year. SURPLUS.

ASSETS AND
LIABILITIES.7. The following statement shows the assets and liabilities on the
31st December, 1924.

	\$	c.		\$	c.
Capital Account (Straits Settlements Sterling Loan) Balance at credit thereof (a)	42,748,934	58	Cash in Treasuries and Banks as per distribution statement	6,420,879	09
Composition Stamp Duty Fund, 4½ per cent. Loan	273,010	30	Cash with Agencies—		
Sundry Outstanding Account	724,548	14	Crown Agents \$	89,400.14	
Straits Settlements Government War Service Land Grant Scheme	2,295	36	F.M.S. & S.S. Joint a/c,		
Due to India	642,347	76	India	34,233.77	
Due to Singapore	5,838	13	Malay States Informa-		
Ceylon Agency Account	32,875	41	tion Agency	9,004.54	
Family Remittances	4,034	26	Penang Agency	728,872.94	
Bentong Tailings Retention Scheme	65,110	83	Singapore Agency	1,176,228.82	
Deposits—					2,037,740 21
Courts \$127,944.33			Cash in Transit		227,936 92
Forests 129,246.86			Fixed Deposits		7,250,000 00
Land 262,348.38			Advances at call and other temporary investments by Crown Agents		29,828,311 84
Postal 268,881.79			Composition Stamp Duty Fund, 4½ per cent. Loan with Crown Agents		273,010 30
Miscellaneous 861,631.71			Due by other Governments—		
	1,650,053	07	Ceylon \$	389.39	
Sundry Funds—			India	20,154.04	
Bailey Fund \$	938.25		Johore	21,237.42	
Police Fine and Reward Fund	26,619.90		Kedah	80,966.06	
Public Officers' Guarantee Fund	214,484.23		Kelantan	141,821.02	
Red Cross Fund	97,461.75		Perlis	454.79	
Miscellaneous	31,592.85		Trengganu	13,899.56	
	371,096	98			278,922 28
War Savings Certificates, 1924-1927	81,456	54	Sundry Outstanding Account		478,997 92
Straits Settlements Government 7 per cent. Loan, 1926	15,000,000	00	Family Remittances		852 98
Suspense	13,543	92	Investments (Surplus Funds):		
Capital Fund—			S.S. Municipal Debentures (at cost)		27,300 00
Bagan Serai Rice Mill	302,429	73	Investments specially earmarked for the redemption of Straits Settlements 7 per cent. Loan, 1926		13,871,914 44
F.M.S. Government Factory	400,000	00	Investments (Specific Funds) (at cost):		
Surplus	52,196,550	39	Bailey Fund \$	938.25	
			Police Fine and Reward Fund	26,226.75	
			Public Officers' Guarantee Fund	171,696.02	
			Red Cross Fund	96,555.36	
			W. & O. Contribution Account	1,640.00	
					297,056 38
			Investments War Savings Certificates (at cost)		66,056 54
			Loans—		
			Siamese Government (b)	\$38,790,111.69	
			Unfederated States and Brunei	4,752,428.57	
			Planters	2,474,824.00	
			War Service Land Grant Scheme	1,461,900.06	
			Miscellaneous	1,273,604.62	
					48,752,868 94
			Advances		121,948 62
			Imprests		69,586 45
			Marine Slipway Account		47,071 09
			Museums, Natural Products Account		1,000 00
			Furniture Making Account, Forest Department		2,222 51
			Timber Account, Forest Department		308,150 59
			Stores and Materials, Railways		2,406,118 44
			" " Account, Post Office		384,867 47
			" " and Furniture Account, P.W.D.		29,989 43
			" " Account, Marine Slipway		26,250 04
			Sundry Assets		50,494 69
			Inter-Treasury Accounts		30 07
			Suspense		552,118 43
			Bagan Serai Rice Mill		302,429 73
			F.M.S. Government Factory		400,000 00
	114,514,125	40			114,514,125 40

NOTES:

(a) The Straits Settlements Sterling Loan, the first two instalments of which totalling £9,355,000 (\$80,185,714.29) have been fully subscribed, appears on the credit side of the Capital Account. The expenses of issue of the loan and expenditure on works authorised to be carried out from loan funds appear on the debit side of the same account, the loan being repayable by Sinking Fund, the instalments of which are to be provided out of revenue.

(b) Repayment of this loan of \$39,685,714.30 by 26 yearly instalments commenced on 1st January, 1924.

8. A statement of the sterling loan capital account is published as appendix B to this report. The sum of \$80,185,714 (representing £9,000,000) has been raised; and the available balance, which had been \$50,115,400 on the 31st December, 1923, was reduced to \$42,748,935 on the 31st December, 1924, by the expenditure during the year on loan account.

STERLING LOAN
CAPITAL ACCOUNT.

II.—TRADE, CUSTOMS AND SHIPPING.

9. During the year, 25 local companies with a total nominal capital of \$12,324,763 were incorporated and registered as compared with 22 companies (\$12,367,784) in 1923, 20 (\$3,708,700) in 1922, 30 (\$4,988,000) in 1921, and 54 (\$38,934,928) in 1920. The objects of the companies were mining in 14 cases, rubber cultivation in one case, mining and rubber cultivation in one, coal-mining in one, general agricultural purposes in one, palm-oil extraction in one, a cinema in one, a hospital in one, and general trading in four cases. The number of local companies in liquidation in 1924 was 38; and during the year nine local companies were struck off the register as defunct. There were 240 companies on the register at the close of the year.

COMPANIES.

10. The aggregate value of trade for the year 1924, including re-exports, was \$310,321,042, shewing an increase of \$24,131,855 or 8.4 per cent. compared with the total of the previous year. The marked improvement noted in the report for the year 1923 has been continued, mainly owing to the high price obtained for tin throughout the year and the larger quantity exported, and to the improvement in the price for rubber in the second half of the year. The distribution of trade per head of the population was £30 as compared with £25 for the previous year. The values of imports and exports of merchandise (excluding re-exports, bullion and parcel post) for the last six years are as follows:

TRADE.

	Imports.		Exports.		Trade balance.
1919 ...	\$118,854,965	...	\$279,135,105	...	\$160,280,140
1920 ...	170,522,123	...	288,715,698	...	118,193,575
1921 ...	102,914,877	...	129,463,762	...	26,548,885
1922 ...	78,666,032	...	135,116,634	...	56,450,602
1923 ...	87,954,820	...	190,823,527	...	102,868,707
1924 ...	96,489,612	...	206,804,431	...	110,314,819

11. The distribution of trade in imports and exports was as follows: Singapore 43.96 per cent. and 29.50 per cent.; Penang 23.69 per cent. and 41.76 per cent.; Malacca 1.23 per cent. and 2.84 per cent.; Unfederated Malay States 3.07 per cent. and .30 per cent.; United Kingdom 11.08 per cent. and 9.87 per cent.; other British Possessions 7.47 per cent. and .80 per cent.; and foreign countries 9.50 per cent. and 14.93 per cent. Each year sees a slight fluctuation in the above figures but there is no permanent trend in any direction. Singapore and Penang retain their position as the chief ports of Malaya, and about 70 per cent. of the total trade of the Federated Malay States passes through them.

DISTRIBUTION
OF TRADE.

12. The revenue from Customs, excise and chandu monopoly amounted to \$35,031,742, a greater sum than has ever been collected before, and \$4,177,902 in excess of last year's receipts. Import duties produced \$5,659,921, an increase of \$370,327 as compared with 1923.

REVENUE FROM
CUSTOMS, ETC.

The amount realised on export duties was \$17,032,588, an increase of nearly four millions. Excise duty on locally manufactured spirits produced \$616,227, an increase of \$34,544.

OPIUM.

13. The nett revenue from the chandu monopoly was \$10,543,859 as compared with \$10,270,959 in 1923. The extent to which the consumption of opium has diminished in the Federated Malay States, despite the increase of population, can be seen from the following figures :

									Tahils.
1904	(4,229	chests	opium*)	...	...	...	...	...	4,736,480
1909	(2,941	"	"	)	...	...	...	...	3,293,920
1914	...	...	...	...	...	...	...	...	1,719,949
1919	...	...	...	...	...	...	...	...	1,650,938
1924	...	...	...	...	...	...	...	...	1,025,707

The scheme under which Government retail shops are gradually replacing licensed shops is making steady progress, and is responsible for a considerable part of the increased revenue. The amount of chandu sold was 1,025,739 tahils, and the slight increase in sales of 18,547 tahils, as compared with the previous year, is ascribed to the high price of tin. During the year 44 new Government retail shops were opened, making a total of 90 as against 46 in 1923. Only ten now remain to be opened in 1925, when the scheme will be completed and the retail "off" sale will be entirely in Government hands. Preparations were made during December for the opening of Government smoking shops. Two were opened; and, when experience has been gained, the system will be gradually extended until the entire sale of chandu will be conducted by the department. In connection with the British Malaya Opium Committee Report, 1924, a commencement has been made towards a system of registration of smokers. The clerk-in-charge at each retail shop keeps a book, in which he enters the name of each customer, together with his address, nationality or tribe and occupation. The public will thus become gradually accustomed to the idea of registration, and the complete scheme may be introduced later without insuperable difficulty. In the small town of Tapah, the system has already developed so far that there is a complete register of regular customers: each customer has a number which he knows, and by which he is known, and this number corresponds with the page of the register in which his purchases are recorded.

RUBBER SMUGGLING.

14. Very little smuggling, other than rubber smuggling, which owes its origin to restriction, is carried on in the country. In order to cope with the rubber smuggling a fleet of six large motor launches has been purchased, and these launches have been in operation since March, 1924. The direction of this fleet is entrusted to the Customs Department, Federated Malay States, which is responsible for the prevention of rubber smuggling by sea from Johore, Malacca, the Dindings, Province Wellesley and Kedah as well as from the Federated Malay States. Sixty-nine boats in all were seized during the period 1st March to 31st December, 1924, fifty-five being in Johore waters, ten in waters of the Colony, and four off the coast of the Federated Malay States. The total quantity of rubber seized was 3,116 pikuls; 235 persons were

* Calculated at 40 balls of opium to one chest and 28 tahils of pure chandu per ball of opium.

convicted, and fines were imposed aggregating over one million dollars. In addition to the above a great deal of land preventive work for the Colony has been done by the Federated Malay States Superintendent stationed in Malacca where he collects Customs duty for the Federated Malay States and rubber duty for the Colony. He has been responsible for the capture of 14 boats on the point of sailing and has seized 630 pikuls of rubber.

15. The number of ocean-going steamers, which called at Port Swettenham, was 413 with a tonnage of 1,578,503 against 355 with a tonnage of 1,383,394 in 1923. The clearances of local steamers were 622 with a tonnage of 316,086 against 618 with a tonnage of 322,514 in the preceding year. The vessels, other than native craft, which entered and cleared at the various ports of the Federated Malay States aggregated 9,971 with a total tonnage of 4,994,600 tons.

SHIPPING.

16. During the year, 227 bankruptcy notices were issued, 100 bankruptcy petitions filed, 48 receiving orders and 40 adjudication orders made. There was an increase in the work over that of the preceding year. No composition or scheme of arrangement was approved by the Court, and no debtor was prosecuted or committed.

BANKRUPTCY.

III.—LANDS AND SURVEY.

17. There was at the end of the year in private occupation about 2,252,493 acres held under agricultural titles, and 195,598 acres held under mining titles.*

AREA UNDER TITLE.

It is estimated that, of the 27,623 square miles covered by the four States of the Federation, 13.8 per cent. is land in private occupation, 16.8 per cent. is forest reserve, and 69.4 per cent. is still State land, including land reserved for other purposes than forests. Much of the State land has no road or railway access. In the upper reaches of the Perak and Pahang rivers, there are still great areas of untouched forest. Of the State land and forest reserve, 10,475 square miles are above the 500 feet level, and, owing to the steepness of the ground, of little value for agriculture.

18. The land revenue (including \$376,112 derived from land sales), amounted to \$4,135,321 as compared with \$3,993,853 (including \$302,967 derived from land sales) collected in 1923.

LAND REVENUE.

19. The cost of the Survey Department is summarised as follows :

COST OF SURVEY DEPARTMENT.

	Gross Expenditure.		Reimbursement and Revenue.		Nett Expenditure.
Revenue Account, 1924...	\$1,295,741	...	\$372,235	...	\$923,506
Capital Account, 1924 ...	246,893	...	96,195	...	150,698
	1,542,634	...	468,430	...	1,074,204
The figures for 1923 were	1,515,779	...	309,749	...	1,206,030

The amount recovered in Survey Fees was \$196,247 on an expenditure of \$880,050, but this does not represent the value of survey work done, for in addition to the fees recovered \$109,660 worth of work was done for other Government departments. The nett expenditure of the various

* It is to be regretted that, owing to a clerical error, the figures supplied to me for my report for 1923 were inaccurate.

branches was: Revenue Surveys, \$683,803; Topographical, \$150,698; Trigonometrical, \$35,517; Map Production, \$43,504; Instrument Repairing, \$11,835; and the Head Office, inclusive of all leave salaries, \$148,847.

WORK BY THE
VARIOUS BRANCHES.

20. Requisitions for 15,893 lots, totalling approximately 90,000 acres, were satisfied by the Revenue Branch, and 1,321 sub-divisions of property were done. This does not include forest reserves in which the acreage is very large for the amount of chainage. The trigonometrical work was mainly outside the Federated Malay States. In Ulu Pahang a few secondary points were fixed for the control of topographical work, but the main work was the completion of the primary triangulation of Trengganu and the extension northward of the reconnaissance map of Trengganu. There is now a good working map of that country from its southern boundary almost to Kuala Trengganu and a sketch map of the northern portion of the State is also being compiled. The topographical work was again of a very varied nature. Surveys on all scales from one inch to a mile for the standard map, to 80 inches to a mile for town purposes, were undertaken. The main work, the standard map of the country, was advanced across the crest of the main range into Pahang, and a start was made in Johore in the area in which development is most likely to take place. The policy now is to push forward as rapidly as possible in advance of development so as to save expenditure on trial surveys for special purposes, and the year 1926 should see a large contribution to the map. The demand for special topographical surveys continues to increase so rapidly that it is difficult to fulfil all demands in a reasonable time. A noteworthy feature is the recognition by the public of the value of large scale maps for the development of properties, and it is anticipated that there will be a steadily increasing demand for the services of topographers. The programme of topographical surveys of forest reserves is much in arrears. The Map Producing Branch fully maintained its efficiency and the map of Singapore and the adjacent Islands on a scale of four inches to a mile in 16 sheets is a notable contribution to the cartography of the country. It is a credit to the system under which local youths have been trained as draftsmen and printers by the European officers. The map is in every way worthy of a first-class map producing office.

STAFF.

21. The authorised establishment list of European appointments in the department is 78, comprising 52 in the Federated Malay States, 9 in the Straits Settlements, 9 in Johore, and 8 in Kedah. During the year, three appointments were in abeyance, and nine were vacant.

IV.—GEOLOGY AND MINING.

STAFF.

22. There are five European appointments in the Geological Department, and 32 in the Mines Department, including eight Inspectors of Machinery. All the appointments in the Mines Department are filled: there is temporarily a vacancy in the Geological Department.

GEOLOGY.

23. Owing to the absence in England of the Geologist and the Assistant Geologist for a considerable part of the year, the amount of field work done was not great. A certain amount was done in Kelantan, Perlis and Perak. The publications of the year were a paper by

Mr. J. B. Scrivenor, Geologist, on the "Geology of Singapore Island" and a map of Kinta showing all known occurrences of lode tin-ore by Mr. E. S. Willbourn, Assistant Geologist.

24. The export of tin-ore reduced to a metallic basis, and of block tin during the year was 44,043 tons compared with 37,490 tons in 1923 and 35,286 tons in 1922. The export of tin-ore represents about 84.7 per cent. of the total. The export duty (in millions of dollars) was \$12.56 in 1924, \$7.73 in 1923 and \$5.97 in 1922.

EXPORT OF TIN.

25. The strong market at the end of 1923 was maintained and the price per pikul of metallic tin rose from \$118 at the beginning of the year to \$148 on March 13th, when the highest price of the year was reached. The price then declined and the lowest price of the year, \$100.75, was reached on May 25th. An improvement then set in up till September 4th with a price of \$130.50, followed by another decline to \$111 on September 24th. From that date a steady improvement took place and a price of \$137.37 was reached at the close of the year.

PRICE OF TIN.

26. The following table shows the fluctuations in the prices of tin for the last seven years in dollars per pikul:

FLUCTUATIONS IN
PRICE OF TIN.

	1918.	1919.	1920.	1921.	1922.	1923.	1924.
	\$	\$	\$	\$	\$	\$	\$
Highest	182.50	166.00	212.00	115.00	93.62	121.00	148.00
Average	150.62	120.68	150.67	85.04	80.64	101.75	124.19
Lowest	117.50	100.00	90.00	72.00	71.75	88.50	100.75
Fluctuation	65.00	66.00	122.00	43.00	21.87	32.50	47.25

27. The Government completed during the year its sale of the accumulated stocks of tin, which form part of what has been generally known as the Bandoeng Conference tin stocks. The Government's tin had been bought first at \$110 per pikul, then at \$115, and lastly at \$100, over a period extending from the 15th December, 1920, to the 25th February, 1921. In this way 9,858 tons were bought at a total cost of \$18,839,045, the average price being \$113.75 per pikul. By an agreement between the parties to the Bandoeng Conference, this tin, together with the stocks of the other parties, was withheld from the market until April, 1923, when the parties agreed to a release, to sell or to hold, to each party of 5 per cent. of its stock every month. This Government began to sell in June, 1923; and in three months, June, September and October, had sold 3,000 tons at prices between \$100 and \$101 per pikul. From November, 1923, the price steadily improved; and, except for the period from May to July, 1924, when the Government deliberately withdrew from the selling market, the Government sold at prices ranging between \$108 and \$141 per pikul. The total sales realised \$19,687,094, giving an average price of \$118.86 per pikul. Storages charges amounted to \$189,353, and the Government's gross profit was thus \$658,695. In order, however, to arrive at a correct estimate of the Government's transaction in tin, it is necessary to set off an amount for interest, for during the three years when almost \$20,000,000 were locked up in tin, the Government had been forced either to postpone payment of existing debts, or to borrow money elsewhere to extinguish them. Interest

GOVERNMENT
TIN STOCKS.

was computed on the total sum involved at the rates on the "rice debt" to the Colony until the 30th September, 1923, and thereafter at $4\frac{1}{2}$ per cent. per annum and amounted to \$3,275,862. Thus the cost to the Government of its assistance to the tin industry was \$2,617,167. The fact that this large quantity of tin was unloaded upon the market without any appreciable disturbance demonstrates the soundness of the consuming demand. It was all the more remarkable in view of the increase in the Federated Malay States production of over 6,000 tons, with, so far as is known, no corresponding decrease in production elsewhere.

LABOUR.

28. The labour force engaged in mining (including *dulang* pass holders) was 114,273 at the end of the year. The figures for the preceding three years were: in 1923, 104,556; in 1922, 94,948; and in 1921, 99,757. The total does not include labour employed on the extraction and transport of firewood.

TUNGSTEN.

29. The export of tungsten ores (wolfram and scheelite) of Federated Malay States origin improved somewhat and was as follows for this and the previous year:

							Wolfram. Tons.		Scheelite. Tons.
1924	...	...	...	...	...	...	8.45	...	89.16
1923	...	...	...	...	...	...	37.56	...	—

GOLD.

30. The production of gold from the Raub Gold Mine (the only gold mine now working in the Federated Malay States) was 12,268 ounces compared with 8,162 ounces in 1923. In addition alluvial gold was recovered in various places to the extent of 2,692 ounces.

COAL.

31. The production of coal from the Malayan Collieries Limited, Selangor, was 372,795 tons, an increase of 54,903 tons on the previous year. Consumption was as follows:

Federated Malay States Railways	...	...	...	...	...	...	51.8 per cent.
Mines	...	...	...	...	...	...	39.0 „
Other local consumers	...	...	...	...	...	...	1.8 „
Exported	...	...	...	...	...	...	1.7 „
Consumed on Colliery	...	...	...	...	...	...	5.7 „
							<hr/> 100.0 „ <hr/>

With the exception of a rush of water in the North Mine, which was successfully dealt with, nothing untoward occurred and the mine remains in excellent condition and is worked with the least possible loss of coal. Renewed interest is being taken in the small deposit of coal at Enggor.

GRAVEL PUMPS.

32. The use by Chinese of the gravel pump, popular enough in bad times, has increased enormously recently, especially in Kinta. There are now ²⁸⁵~~42~~ mines employing gravel pumps in the Federated Malay States and their characteristic scaffoldings are to be seen in all mining areas.

ILLICIT MINING.

33. The Senior Warden of Mines reports that, with the help of the new Mineral Ores Enactment, the control of illicit mining has greatly improved.

V.—FORESTRY.

34. At the beginning of the year in a total establishment of 34 officers (including an officer in Johore and another in Kedah) five appointments were temporarily suspended, and three were vacant. One officer retired, one died, and five Assistant Conservators were appointed

STAFF.

35. All easily accessible forest that was in danger of destruction, or was likely to be alienated, has now been examined. The remainder is mountain or swamp land, or is at present inaccessible owing to lack of means of communication. An area of about 40,000 acres south-east of the Rompin Forest Reserve, Pahang, was examined and rejected for purposes of forest reservation.

EXPLORATION.

36. New reserves cover 255 square miles, making the total area of reserves 4,686 square miles. A further 1,170 square miles have been preliminarily notified as proposed reserves.

RESERVES.

37. The demand for timber and fuel throughout the year was very strong, the outturn for the year being 789,412 tons compared with 650,601 in 1923. These figures do not include the large quantities of wood taken under free grants. The increase is due principally to the high price of tin. This rapid consumption gives cause for some anxiety in the chief mining centres in Perak and Selangor: the fear being not so much that there is insufficient forest, but that means of communication and methods of transport may prove inadequate.

EXPLOITATION.

38. The Government *damar penak* industry developed steadily. The outturn for the year was 139 tons, being 87 tons more than that of 1923. Negri Sembilan is still the main source of supply. Development in Perak and Pahang, where there are hundreds of thousands of trees waiting to be tapped, is disappointing. Malay labour is scarce, and such as is available is uncertain and irregular. Damar tapping requires considerable courage and skill, for it involves the climbing of big trees which have no branches on their stems. The price of *damar penak* was satisfactory throughout the year.

DAMAR.

39. The trade in jelutong shows a remarkable increase. The outturn was 354 tons compared with 133 tons in 1923. The product as exported by the principal licensees is reported by consumers to be of the best quality. The market requirements of 1925 are estimated at 4,400 tons. There are large numbers of trees awaiting tapping in all parts of the Federated Malay States. The main obstacle to development is, as in the case of damar, the lack of regular labour.

JELUTONG.

40. Research work was somewhat hindered by the unavoidable absence of the Forest Research Officer during the greater part of the year. The durability tests and tests of various wood preservatives were carried on and extended on the lines of previous years. Useful work was also done in recording observations of the behaviour of various timbers while seasoning. The important work of mechanical tests and experimental impregnation remains to be done.

RESEARCH.

41. The activities of the Timber Branch of the department were limited to supplying timber to Government departments. The whole question of the exploitation and conversion of timber is still under consideration.

THE TIMBER
BRANCH.

FINANCIAL.

42. The financial results of the year are very satisfactory. Revenue amounted to \$1,503,901 and the surplus of revenue over expenditure was \$742,571. Both figures are records.

VI.—AGRICULTURE.

EUROPEAN STAFF.

43. At the beginning of the year, in a total establishment of 36 European officers three appointments were temporarily suspended and two were vacant. During the year three additional vacancies were created by termination of agreements. No new appointments had been made before the close of the year.

PRICE OF RUBBER.

44. From 49 cents a pound at the beginning of the year the price of "Standard Rubber Sheet" fell to 31½ cents in May. At the end of December the price was 67 cents, its highest since 1920. The statistical position showed no justification for the fall in price in the middle of the year, and it is difficult to avoid the conclusion that it was due to market manipulation.

EXPORTS OF RUBBER.

45. The rubber exported from the Federated Malay States during 1924 was 94,731 tons (this includes 783,491 gallons of latex calculated as containing 3½ lbs. of dry rubber a gallon) as compared with 102,818 tons in 1923 and 129,404 tons in 1922.

RESTRICTION."

46. Throughout the year, the rubber planters of Malaya continued to be subject to the provisions of the Export of Rubber (Restriction) Enactment. The percentages of release in the four quarters of the year were 60 per cent., 60 per cent., 55 per cent., and 50 per cent., respectively. The "Standard Production" for the second year of "Restriction" (1st November, 1923, to 31st October, 1924) for the Federated Malay States was placed at 142,264 tons and was classified as follows:

Estates over 100 acres	...	...	...	95,854 tons
Holdings between 25 and 100 acres	...	...	...	9,420 ,,
Small holdings	...	...	...	36,990 ,,

The "Standard Production" for the first year of "Restriction" had been considerably higher, namely, 162,350 tons, classified as follows:

Estates over 100 acres	...	...	...	107,557 tons
Holdings between 25 and 100 acres	...	...	...	10,793 ,,
Small holdings	...	...	...	44,000 ,,

The reduction in "Standard Production" was a result of the activities of the Assessment Committee appointed early in 1924 to review the methods of ascertaining "Standard Production" which were adopted on introduction of the machinery of restriction in 1922. Calculated upon "Standard Production" alone, the amount of rubber that has been kept off the market by "Restriction" is shewn in the following tables.

FEDERATED MALAY STATES.

	1923. Tons.	1924. Tons.
Standard Production	162,350	142,264
Exports, Federated Malay States	102,818	96,054
Estimated as withheld from the market	59,532	46,210

BRITISH MALAYA.

	1923. Tons.	1924. Tons.
Standard Production	274,000	246,900
Exports, Restriction Area	177,644	165,241
Estimated as withheld from the market	96,356	81,659

But these figures, enormous as they are, do not give a correct impression of the quantity actually kept off the market, for, as is well known, "Standard Production", with its various allowances, and its maximum of 400 pounds per acre, is far below the potential output of the country. On the 1st January, 1924, the stocks of rubber in the United Kingdom were 66,563 tons. At the close of the year these had been reduced to 32,376 tons and at the end of April, 1925, they were 12,000 tons.

Conservative systems of tapping which, perforce, have been adopted on all rubber holdings since November, 1922, mean, besides preservation of bark, lower disease incidence and prolongation of yielding capacity. In addition to its undoubted success in the object for which it was introduced "Restriction" has given pause to the wise to consider the ultimate value of previously accepted methods of tapping and cultivation.

47. "Stem" and "root" diseases of rubber were kept well under control. A new "bark" disease was reported and controlled. "Mouldy rot" gave considerably less trouble than in the previous year. There were very few cases of "Brown Bast". It is clear now that this is merely one of the results of over-tapping.

RUBBER DISEASES.

48. For the fourth year in succession the Government made a grant of £3,000 (\$24,814) to the Rubber Growers' Association in connection with propaganda for new uses and markets for rubber. On the 20th May, 1924, the Federal Council made provision for the expenditure of a sum of \$290,000 for propaganda purposes relative to rubber. Half of this sum was entrusted to the Rubber Growers' Association and the other half was devoted to propaganda in Malaya and other Eastern countries, a special Committee being appointed for administration purposes. A trained propagandist was recruited in England and assumed duty in September.

RUBBER
PROPAGANDA.

49. After prolonged correspondence the proposal to establish a Rubber Research Institute for Malaya was approved by the Secretary of State for the Colonies in August, and a provisional Board of Directors has been appointed. The main correspondence on the subject is contained in Federal Council Papers Nos. 9 of 1919, 10 of 1919, 11 of 1923 and 25 of 1924. At the meeting of the Federal Council held on the 25th November, 1924, a resolution was passed approving the scheme for the creation of a Rubber Research Institute and the introduction of legislation to incorporate it. Accordingly a Bill entitled "The Rubber Research Institute of Malaya Bill" was prepared, but it was not possible to introduce it in Federal Council before the end of the year. Financial provision for the scheme will be made by

RUBBER RESEARCH
INSTITUTE FOR
MALAYA.

the imposition of a special export duty on rubber of 10 cents per pikul, in addition to the ordinary export duty of $2\frac{1}{2}$ per cent. *ad valorem*, provided that, so long as the present export duty under the Rubber Restriction Enactment, 1924, is in force, the special export duty will not be imposed, and a corresponding amount will be paid by the Government to the Institute.

COCONUTS.

50. The price of copra was \$12.50 a pikul in January. It went down to \$10.50 in April and recovered to \$13.65 in October. At the close of the year the price stood at \$13. Exports of copra from the Federated Malay States were 55,197 tons valued at \$9,641,012 as compared with 49,037 tons valued at \$8,190,701 in 1923.

OIL PALM.

51. Considerable interest is being shewn in the possibilities of the African oil palm, as a large scale plantation crop. At the end of the year the area in the Federated Malay States under this form of cultivation was nearly 6,000 acres. A number of applications, principally in Selangor, have been approved, on pioneer terms, for this purpose. During the year a modern factory for extraction of palm-oil was erected on Tennamaram Estate in the Kuala Selangor district. Nearly 300 tons of palm-oil were exported from the Federated Malay States during the year.

RICE.

52. A large rice mill at Kuala Kurau, Perak, was bought by the Government in pursuance of its policy of safeguarding its food supplies and encouraging the production of rice. The 1924 padi harvest was up to average in Krian and Negri Sembilan. In Pahang and Selangor some damage was caused by heavy floods and the harvests were a little below average. The 1925 harvest promises well in all the Federated States. Selected seed from the Titi Serong Experimental Station is now eagerly sought by padi planters in all rice growing districts. Small experiment stations, conducted on the lines found so successful at Titi Serong, have been established in all States of the Federation.

53. Interesting and satisfactory work continues to be done at the Government Experimental Plantation at Serdang.

54. The area under different forms of cultivation is, in acres, as follows:

State.	Padi.	Coconuts.	Rubber.	Kampong fruit.	Total.
Perak	104,188	91,930	427,358	84,969	708,445
Selangor	20,819	90,799	409,072	26,321	547,011
Negri Sembilan	31,838	17,604	278,040	22,151	349,633
Pahang	30,504	14,743	116,787	62,881	224,915
Grand total ...	187,349	215,076	1,231,257	196,322	1,840,004

The corresponding figures for 1923 were 194,861; 215,228; 1,230,841; 208,685; 1,849,615 in acres.

55. During the year the Planters Loans Board dealt with fourteen applications for a total of \$376,300. Of these, five were approved for a total of \$89,500. Repayments made amounted to \$724,058. Approved loans for \$2,386,537 were outstanding at the end of the year.

PLANTERS LOANS
BOARD.

56. Under the scheme for War Service Land Grants (Federated Malay States), administered by the Loans Board, 119 persons benefited as against 133 during 1923, 14 recipients having settled their liabilities. At the end of the year approved loans totalled \$2,867,750, of which sum \$1,461,900 had been paid out to beneficiaries under the schemes for development of their properties.

WAR SERVICE
LAND GRANTS.

VII.—LEGISLATION.

57. No important legislation was enacted during the year, and of the twenty-five Enactments passed the majority merely effected amendments in existing laws. The most noticeable of these was perhaps an amendment to the Courts Enactment to increase the jurisdiction of Magistrates. The importance of the rubber restriction policy was marked by a repeal and re-enactment of the former laws relating to export of rubber and to rubber dealers, the new Enactments being entitled Rubber Restriction and Rubber Supervision. The Volunteer Enactment was repealed and re-enacted in a form more resembling the Colonial law, and new Savings Bank and Post Office Enactments were passed, the latter becoming a Federal Enactment. The law dealing with printing presses was strengthened and brought into line with the law in force in the Colony; and the Country Lands (Cultivation) Enactment, over the interpretation of which there had been a certain amount of controversy, was repealed. Provision was made for a purely optional registration of Hindu marriages, and a short Enactment, in accordance with the declared, and accepted, policy of "decentralisation", was passed to enable the Chief Secretary to Government to relieve the Residents of some of the many formal applications for his approval which are required by existing laws.

VIII.—POLICE.

58. The approved strength of the Force on the 31st December, 1924, was 4,001 officers and men distributed in 178 police stations and 11 police posts. The stations of Ulu Klang and Bukit Kota were abandoned during the year and new posts were established at Banir and Manchis. The Force was 46 under approved strength at the end of the year, the shortage being almost entirely in the Detective Branch. Discipline was well maintained and recruitment was satisfactory. Refresher courses instituted in 1923 have been continued with satisfactory results. Training in the military side leaves little to be desired but there is room for improvement in police education proper. The experiment of manning two police districts (Port Dickson and Mantin) entirely by Malays proved successful and is being continued. The expenditure of the Force was \$2,811,035 and its revenue \$198,692.

POLICE.

59. There was a slight increase in seizable crime, the number reported being 8,508 as against 8,473 in 1923. The number of murders is 89 as in 1923. There was a marked decrease in gang-robbery (from 61 to 43) and in robbery (from 83 to 65). In house-breaking there was

CRIME.

an increase (from 150 to 198). The robbery figures continue to decrease. The country as a whole was very quiet and there were no serious outbreaks or organised crime to be dealt with. The Criminal Registry dealt satisfactorily, and expeditiously, with large numbers of enquiries, among which 1,184 cases of sudden or suspicious death were investigated. A comparison of numbers of the more serious offences against property in 1924 with those committed in 1904, when the Criminal Registry was inaugurated, is shown below. The figures are remarkable, and the diminution in serious crime is ascribed to the success of the Government's policy of banishing the alien criminal class of thieves and robbers:

						1904.		1924.
Gang-robbery	...	...	...	...	...	236	...	43
Robbery	...	...	...	...	...	422	...	65
House-breaking	...	...	...	...	...	403	...	198
Theft (serious)	...	...	...	...	...	656	...	224

MR. W. L. CONLAY,
C.B.E.

60. During the year the Force lost the capable guidance of the Commissioner, Mr. W. L. Conlay, C.B.E., who retired on pension on the 15th November after a service of 31 years. The late Commissioner, whose first service was with the Perak Sikhs, was for a time an officer of the Civil Service and was the first British Agent in Trengganu. He was an extremely able Police Officer with a particular talent for organisation. He was responsible for the establishment of the Criminal Registry which is one of the best of its kind in the Empire, the system of finger-print identification in use having been devised by Mr. Conlay himself. He devoted a good deal of time during the latter portion of his service to the preparation of the necessary books of orders and instructions for the Force which he left very well provided for in this direction. The King's Police Medal was granted to him soon after his retirement.

IX.—PRISONS.

61. There are seven prisons. On the 1st January, 1924, there were 1,266 prisoners against 1,507 on the 1st January, 1923; during the year 6,513 were admitted; and 1,194 remained at the close of the year. The daily average figures were: Civil Prison, 143; short-sentence and revenue grade, 633; long sentence and condemned, 520. Six executions were carried out. Two prisoners escaped. Two prisoners committed suicide. The daily average of sick was 2.22 per cent. as compared with 3.22 in 1923. There were 16 deaths, of which 1 was from phthisis, 2 from pneumonia and 13 from other causes, of which debility may be presumed to be the cause or predisposing factor.

62. The total expenditure of all the prisons was \$434,937. The daily average of 1,296 prisoners was maintained at a nett cost of \$397,446 (the prison revenue being deducted) giving an annual cost per head of \$307. The annual cost in 1923 had been \$289 and in 1922, \$282. The reason for the annual increase of \$18 over nett cost of prisoner in 1924 is that the decrease in the daily average does not and cannot result in a proportionate decrease in the costs of maintenance.

X.—MEDICAL.

(i).—VITAL STATISTICS.

63. The estimated population at the end of June, 1924, was 1,418,455. There were 39,512 births, and 33,585 deaths: the rates being 27.86, and 23.68, per mille, respectively. The death-rate is the lowest on record; and this is the third consecutive year in which records have been established. There were 7,137 deaths of children under the age of one year, being an infantile mortality rate of 180.53 per mille, which is practically the same as that of the preceding year.

STATISTICS.

(ii).—PUBLIC HEALTH.

64. Malaria always heads the list as the most important cause of sickness and death. The number of deaths registered as being due to "fever" was 14,283 (10.07 per mille). The figures for 1923 and 1922 had been 15,516 (11.17 per mille) and 15,570 (11.44 per mille), respectively. This year's rate is the lowest on record. In the State of Selangor, the death-rate for malaria has dropped, in six years, from 20.29 per mille to 7.70 per mille. I take the following passages from the annual report of the Senior Health Officer:

MALARIA.

"Experience gained during the year in no way tends to modify the view expressed in last year's report, that malaria prevention by anopheline reduction is (when done in the right way) a sound economic problem where persons are grouped together in towns, villages or estates.

"The Government's machinery for promoting efficiency in anti-malarial operation consists of the Malaria Advisory Board, the Mosquito Destruction Boards in co-operation with and assisted by the Health Department, the Malaria Bureau and the Anti-Malaria Engineer.

"The Malaria Advisory Board is a Central Committee formed for the purpose of collecting information with a view to advising generally as to the methods which should be adopted for the control of malaria. The Principal Medical Officer is the Chairman of the Board and both officials and non-officials are represented on it. During the year the Board met regularly, and the minutes were published.

"The Mosquito Destruction Boards are local bodies with executive powers. Appointed by the British Resident for certain areas, they deal with the mosquito problems in their districts. Where possible the Chairman is the district Health Officer. The members comprise officials and non-officials. During the year each Board met as often as was necessary for the needs of its district. The executive staffs continued to perform good services. Minor works such as open ditching and oiling were carried out by the Boards staff under the supervision of the Chairman, major works such as sub-soil draining were for the most part performed by the Public Works Department under the supervision of the Executive Engineer who is ex-officio a member of the Board.

"The Health Officer, Railways, is ex-officio a member of every Board through whose territories the railway runs. In this way close co-operation between the railway authorities and the district authorities has been secured.

"Though good work has been done in many areas, the scheme devised by the District Officer, Port Dickson, and carried out by the staff of the Mosquito Destruction Board, of which he is the Chairman, deserves special mention. By good organisation and strict attention to the detail, excellent results have been obtained. The success attained here is an example of what can be done by a layman, when the advice of a Health Officer is available, and he has the proper staff at his disposal.

"There can be no doubt that these Boards are of great value in keeping alive local interest in the mosquito problems, and in spreading a knowledge of the nature of malaria and the manner of its spread."

The Health Branch continued to carry out the free distribution of quinine, and issued 1,105,000 tablets for distribution to the public through the Police, the Education Department and the District Offices,

in addition to the very large number distributed by the various travelling dispensaries. Malaria is, by law, a notifiable disease in the larger towns. In Kuala Lumpur, which, at the 1921 census, had a European population of 1,267, the number of cases reported in 1924 amongst Europeans was only 14: in 1923, the remarkably low figure of 5 only had been recorded. As these returns include all relapses, and all cases where the infection was incurred outside the area, the figures are a testimony to the health of the town. The excellence of the sub-soil drainage system of the suburbs of Kuala Lumpur has always evoked the admiration of the malariologists who visit this country.

PULMONARY
TUBERCULOSIS.

65. There were 1,916 deaths against 1,934 in 1923, giving a rate of 1.35 per mille.

ANKYLOSTOMIASIS.

66. The Senior Health Officer reports that 90 per cent. of the population harbours ankylostomes, but that few show symptoms. All Indian labourers receive treatment for this disease on their arrival at the Immigration Camp at Port Swettenham.

YAWS.

67. The treatment of yaws by injections of arsenical compounds was continued during the year. A total number of 36,003 injections were given, and 23,380 patients were treated, as against 31,135 in the preceding year. The decrease is ascribed to the cures effected in the preceding years. The campaign must, however, be continued systematically for many years to come before a successful termination is achieved.

BERI-BERI.

68. The hospitals treated 991 cases of beri-beri with a death-rate of 12.10 per cent. as against 771 cases, and a death-rate of 13.87 in the preceding year. Good "under-milled" rice is put out by the Government rice-mills, but the highly polished, "over-milled", and imported rice is more attractive to the Chinese; and, as yet, our propaganda campaign on the subject of the connection between beri-beri and "over-milled" rice has failed to persuade the mind of the people.

VENEREAL DISEASE.

69. Injections of arsenical compounds are given at all Government hospitals and dispensaries. During the year under review 30,016 injections were given, as compared with 29,675 in the preceding year. An outdoor dispensary, at which especial, but not exclusive, attention is given to venereal disease, was opened in July in the centre of Kuala Lumpur town, and treated 1,186 cases of venereal disease. Any outdoor patient is treated at this place, and thus no stigma attaches to a visit to it.

LEPROSY.

70. The "Tai-fong-chee" treatment has been carried out at the Kuala Lumpur Leper Asylum throughout the year, with encouraging results. Of 270 lepers who have taken the treatment regularly for over three months, 203 have improved; and of 136 who have taken it for nine months and over, 117 have improved. About 50 of them are no longer recognisable to the public eye as lepers, and some of them, so far as can be ascertained, are bacteriologically negative. The Principal Medical Officer praises Dr. E. A. O. Travers, Medical Officer, for his admirable work at this asylum, and I wish to associate myself with the Principal Medical Officer in this commendation.

TYPHUS.

71. There were eighteen cases of typhus, none of them being fatal. This disease has been the subject of special study during the year at the Institute of Medical Research. It is referred to, at some length, in the Director's annual report, and further details will be given in

one of the bulletins issued by the Institute. There appears to be a sort of typhus which differs essentially from the ordinary type by reason of its low infectivity. It does not pass direct from one person to another, and there is no evidence that it is carried by lice. Possibly cattle ticks convey the disease.

72. There were during the year two distinct outbreaks of cholera at the Quarantine Camp, Port Swettenham. All the cases entered the country on immigrant ships infected in the Madras Presidency. There were in all 212 cases, with 82 deaths. The Medical Officers at the camp worked splendidly, and have been thanked by the Government. No cases occurred outside the camp limits; and the immigrants, when discharged, carried no infection to the estates to which they proceeded.

CHOLERA.

73. There were six cases of smallpox, with one death [a most satisfactory return]; 43 cases, with 17 deaths, of diphtheria; and seven cases of cerebro-spinal meningitis, with four deaths. There was no case of plague.

OTHER INFECTIOUS
DISEASES.

74. The number of vaccinations was 78,407 as against 77,724 in the preceding year.

VACCINATION.

75. No town in the Federated Malay States has a public water-borne sewerage system. The Senior Health Officer reports that there are many private installations which are working well, and that their number is increasing. There can be no doubt that this country is behind the times in this important matter of public health. The difficulty is partly due to the fact that the Sanitary Boards are not self-dependent financially, and that they have to rely upon the general taxation of the country as well as upon the local rates for their civic amenities. Any application from a Sanitary Board to install a public sewerage system would receive most favourable consideration, if the Board were prepared to levy an additional rate to cover interest, depreciation and maintenance charges.

SEWERAGE.

76. Excellent work has been done at the Infant Welfare Centres at Kuala Lumpur and Ipoh, where the Lady Medical Officers have won not only the entire confidence of the mothers and children but also their warm admiration and personal affection. Last year, when the movement was new, there was a prejudice against the "invasion of the home", but this has now entirely disappeared, and the nursing sisters and health visitors receive a hearty welcome in every house—even from the conservative old grandmothers.

INFANT WELFARE.

77. Propaganda work by means of posters, pamphlets and hand-bills was carried out by the Public Health Education Committee, by the Malaria Advisory Board, and by the Infant Welfare Advisory Board throughout the year. Lectures on malaria, given in Malay, and illustrated by lantern-slides, were delivered throughout the country. They were all well attended, and great interest was shown by the audience. Lectures are now being given in Chinese in the mining camps and Chinese schools. Pamphlets and posters in four languages were issued throughout the year on (1) hook-worm diseases, (2) convulsions, (3) care of the teeth, (4) advice to nursing mothers, (5) leprosy, (6) spitting, and (7) consumption; in three languages on the subject of venereal disease; in English and Malay on the subject of yaws and malaria; and in Chinese on the opium habit.

PROPAGANDA.

ESTATES HEALTH
COMMISSION.

78. The Commission appointed to advise upon (a) the measures to be taken to improve conditions in regard to health, sanitation and prevention of disease on estates, (b) the system of estate hospitals and nursing and medical attendance therein, and (c) the system of visiting estates by medical practitioners, submitted its report on the 24th October, 1924. The report has been published, together with a memorandum written by myself covering it. In accordance with the undertaking given in my memorandum, the Government is drafting a Bill, to be known as "The Estates Health Boards Bill, 1925," which will provide for the constitution of Boards for the improvement of the medical, health and sanitary services on agricultural estates and other places. The Board will be empowered to impose two separate kinds of cess, one in respect of curative work, and the other in respect of preventive work, mainly anti-malarial measures. The Government has announced its readiness to pay the anti-malarial cess not only in respect of all Government lands and Government reserves, but also in respect of all agricultural holdings of less than 25 acres, and in respect of all town and village lots, the Government, if it so desires, making a levy upon the actual proprietors of holdings, in exercise of powers conferred under the Sanitary Boards Enactment. Power is also reserved in the Bill for levying a cess upon mining properties. When this Bill becomes law, it should go very far to improve the health of the country.

(iii).—MEDICAL INSTITUTIONS.

HOSPITALS,
DISPENSARIES, ETC.

79. There were on the 31st December, 1923, in the Federated Malay States, the following medical institutions:

- 4 European Hospitals;
- 36 District Hospitals (each with an Outdoor Dispensary);
- 3 Women's Hospitals;
- 3 Leper Asylums;
- 7 Gaol Hospitals;
- 1 Quarantine Camp (for Immigrants);
- 4 Vagrant or Decrepit Wards;
- 1 Mental Hospital (Tanjong Rambutan);
- 1 Pasteur Institute (attached to the Institute of Medical Research);
- 14 Outdoor Dispensaries;
- 10 Town Dispensaries.

During the year there were 90,671 indoor patients as against 87,310 in the preceding year. Outdoor patients numbered 584,261 as compared with 527,414 in 1923, 433,111 in 1922 and 329,310 in 1921. The travelling (motor car) dispensaries, which patrol the roads, with regular programmes and time-schedules, are working very satisfactorily. They were started in 1922, and the large increase in the numbers of outdoor patients is due to them. The travelling dispensary boats on the Pahang River also did good work.

MENTAL DISEASES.

80. The only institution in the country for mental diseases is the Central Mental Hospital at Tanjong Rambutan. On the 31st December, 1924, the patients numbered 1,322 males and 423 females as against 1,183 males and 397 females on the corresponding day of the

preceding year. The total number of admissions was 477 males and 117 females. Of the form of mental disease on admission, primary dementia, recent mania, recent melancholia, and confusional insanity in that order, head the list. Of recoveries, recent melancholia, recent mania and confusional insanity, also in that order, show the largest numbers. There were 111 deaths, giving a death-rate of 5.96 on the total treated, and 6.66 on the daily average. This is the lowest on record. The principal causes of deaths were phthisis, dysentery and general paralysis of the insane. Dr. Samuels has extended his farms, which are such a feature of this admirable institution, to an area of 290 acres. All the vegetables consumed in the hospital are grown in the farms, and quantities of milk, pork and fruit are also supplied.

81. A Pasteur Institute was opened in August under the charge of Dr. A. N. Kingsbury. It is at Kuala Lumpur, and attached to the Institute of Medical Research. Fourteen patients (of whom six were Europeans) were treated. No fatality has occurred. Rabies, though present, has not been prevalent during the year. PASTEUR INSTITUTE.

(iv).—RESEARCH.

82. Reference has already been made to the investigation of typhus fever. Melioidosis was further studied, and the detailed results have been published. The causative agent of the disease, *B. whitmori*, was studied at the Lister Institute, London, in confirmation of the results obtained here. The stability of insulin in tropical temperatures, and certain questions connected with diphtheria in Malaya were made special subjects of investigation. Dr. Fletcher continued throughout the year his work on behalf of the Cinchona Derivatives Committee of the Medical Research Council. INVESTIGATIONS.

83. An investigation into an outbreak of malaria at Sabak Bernam, and a continuous observation, since September, 1921, on the seasonal prevalence of species of anophelines at Kent Estate, were completed during the year but publication is delayed by the absence on leave of Dr. Hacker. Captain K. B. Williamson is making a preliminary investigation into the reaction of mosquito-breeding waters, especially in the rice-fields, with a view to testing the theory that the degree of their alkalinity or acidity is a main factor in determining the species of larvae found in them. A start has also been made with the work of collecting algae and other water plants, and also water insects and fish, so as to correlate their presence with the presence or absence of anopheline larvae in general, or with that of particular specimens, and with the reaction of the water in which they occur. Probably it is the feeding habits of the larvae, rather than the egg-laying habits of the adult anophelines, that regulate their distribution in nature. MALARIA.

84. Three numbers of "Studies" of the Institute were issued during the year, and comprised: PUBLICATIONS.

No. 17. "Collected Papers on Beri-beri," by A. T. Stanton and H. Fraser.

No. 18. "Notes on the Treatment of Malaria," by W. Fletcher.

No. 19. "Dysentery in the Federated Malay States," by W. Fletcher and M. W. Jepps.

The "Bulletins," which contain shorter articles, and progress reports of investigations which, on completion, may form the basis of a monograph, contained:

- No. 1. "Rectal Injections of Quinine," by W. Fletcher.
- No. 2. "Concerning Rabies and Pasteur Treatment," by A. N. Kingsbury.
- No. 3. "The Practical Microscopic Diagnosis of Dysentery," by F. G. Haughmont.
- No. 4. "Beri-beri and Rice Control in Malaya," by C. E. Cobb.
- No. 5. "Melioidosis, a Disease of Rodents Communicable to Man," by A. T. Stanton and W. Fletcher.

XI.—EDUCATION.

FINANCIAL.

85. The expenditure upon Education (including \$440,111 spent by the Public Works Department on the building and upkeep of schools) was \$2,463,920. Of this sum, \$514,424 was paid in grants to English aided schools and \$32,732 in grants to Chinese vernacular schools. The total revenue, derived mainly from school-fees, was \$67,404. An education rate of 1 per cent. in Sanitary Board areas produced only \$98,690.

STAFF.

86. For the first time since the Great War it became certain that a regular supply of recruits for the senior staff can be secured. A revised scheme of salaries for local teachers was introduced.

HIGHER EDUCATION.

87. At present the highest local educational institution open to students from the Federated Malay States is King Edward VII College of Medicine, Singapore. Raffles College, the building of which will start in 1925, will provide a higher education in subjects other than medicine. The Malay College, Kuala Kangsar, receives probationers for the Government service.

ADVANCED CLASSES.

88. Evening classes were held in all the States. In Taiping the subjects taught were book-keeping and commercial English, and students were prepared for the London Chamber of Commerce Examination. In Seremban the subjects were shorthand and book-keeping. In Kuala Lumpur the curriculum comprised shorthand, book-keeping, typewriting, practical mathematics, building construction, machine drawing, magnetism and electricity, telegraphy and telephony, electrical engineering, workshop mechanics, surveying, engineering and art. Out of the 152 students who joined these Kuala Lumpur classes, 114 were employed in Government departments, 25 in mercantile offices and the rest were unemployed. Divided by race, there were 109 Indians, 26 Chinese, 9 Eurasians and 8 Malays. There were Normal Classes for teachers in all the States except Pahang and there was an Art Class for them in Selangor.

SCHOLARSHIPS AND FREE EDUCATION.

89. Of the 12,754 pupils in English schools, 258 held Government scholarships, enjoying free education, board and lodging; 19 held other scholarships; 2,264 received free education from the Government and 541 free education from other sources. Thus, 3,082, or 24.16 per cent., receive a free education. All pupils in Malay vernacular schools enjoy free education.

ENGLISH SCHOOLS.

90. There were 19 English Government schools for boys, 14 English grant-in-aid schools and 11 for girls. The total average enrolment was 3,820, 6,434 and 2,500, respectively.

91. At the Cambridge University Local Examinations held in December, there were 357 successes against 323 in 1923. In the higher examination 102 boys and 16 girls passed out of 202 and 35 entries; in the lower 255 boys and 20 girls out of 497 and 47 entries.

EXAMINATIONS.

92. The expenditure on the Malay College was \$84,798. At the end of the year there were 125 students, all boarders educated and maintained entirely at Government expense. Nineteen students entered for the Cambridge School Certificate (formerly called the Senior Cambridge Examination), of whom 9 passed; for the Junior there were 21 entries and 10 passes. In the higher examination one Perak boy obtained honours with distinction in History and Malay, and another, a Negri Sembilan boy, gained distinction in English and Malay. In the Junior Examination a Kelantan boy obtained distinction in History. Two out of the three probationers passed the higher examination. The general health of the boys was satisfactory.

MALAY COLLEGE,
KUALA KANGSAR.

93. At the beginning of the year there were 191 students and one probationer in residence at this College for the training of Malay vernacular teachers. After the Fasting Month 58 students completed their course and left and 100 new students joined. The total expenditure was \$91,950, defrayed two-thirds by the Federated Malay States and one-third by the Government of the Straits Settlements. There were boys from every Settlement in the Colony and every Malay State under British protection except Johore. Three students died of pneumonia consequent on an epidemic of malaria. Otherwise the health of the students was excellent. Manual training plays an increasing part in the curriculum. A European Agricultural Instructor was appointed and this branch of education will be further developed. Poultry-farming was started.

SULTAN IDRIS
TRAINING COLLEGE.

94. The Malay vernacular schools are all Government institutions and provide free education. There are 380 schools for boys and 62 for girls with average enrolments of 24,630 and 2,780. In addition to Malay Inspectors, the teaching staff numbers 1,161. The modern training of teachers, the introduction of manual training, and rural and domestic science are calculated to make these schools meet the fundamental needs of the Malay race.

MALAY VERNACULAR
EDUCATION.

95. There are ¹⁹²~~1,927~~ Tamil vernacular schools with an average enrolment of 7,010. An improvement in the quality of the teachers is reported. The inspecting staff was increased.

TAMIL VERNACULAR
EDUCATION.

96. Two hundred and seventy-two Chinese schools were registered with 525 teachers and 12,175 pupils. The system of grants-in-aid for these schools, introduced in 1923, has made a satisfactory start. Out of 129 schools with 8,719 pupils eligible, 38 schools with 3,123 pupils applied for and were awarded grants. An important innovation was the creation of the post of the Assistant Director of Education for the supervision of Chinese vernacular education.

CHINESE
VERNACULAR
EDUCATION.

XII.—POSTS AND TELEGRAPHS.

97. There are now 101 post offices and 44 places at which postal business is transacted by railway station masters and others. The estimated number of articles posted and delivered exceeded 25 millions, an increase over 1923 of more than three millions.

POSTAL.

MONEY ORDERS.

98. Money orders numbering 251,498 were issued and paid, the total amount representing \$14,467,316, an increase of nearly two million dollars. Telegraph money orders numbering 8,780 for \$701,329 were issued and paid. There has been a slow but steady increase in the number of orders issued on China. The number of telegraph money orders issued on India and Ceylon was over two thousand accounting for a total of Rs. 355,000. A code system was introduced in the exchange with India whereby the remitter was saved the cost of several words in the telegram of advice. The service with Netherlands East Indies has shewn very satisfactory progress. The telegraph money order service was extended to Johore on 1st February, and a money order agreement was concluded with Trengganu with effect from 1st April.

SAVINGS BANK.

99. A further remarkable increase of 2,893 took place in the number of Savings Bank depositors, the total now being 21,651. The average amount standing to the credit of each depositor rose to \$102, an increase of \$6. The number of withdrawals on demand (8,808) again more than doubled and there is little doubt that this facility has largely contributed to the increased popularity of the Bank whose clients have doubled in number since 1919, the amount of deposits having trebled since 1918. The excess of deposits over withdrawals in 1924 was \$345,205. The number of Malay depositors has increased from 1,188 in 1920 to 4,098 in 1924.

"THE SAVINGS
BANK ENACTMENT,
1924."

100. The law relating to the Savings Bank was revised and "The Savings Bank Enactment, 1924," became law on 17th April. The most important changes are the abolition of the acknowledgment from head office of deposits not exceeding \$10, a stricter secrecy clause, provision for the making of rules for the transfer of deposits from one account to another, a simplification of the procedure in connection with the transfer of deposits from or to other Government Savings Banks and a forfeiture clause relating to illegal deposits.

TELEGRAPHS.

101. The number of telegrams despatched and delivered showed a decrease of nearly 70,000 or 8 per cent., the only important retrogression in the department's statistics. This may be attributed to the rapid development of the telephone system, and to the low rates charged for trunk calls, the decline being in *inland* telegrams. A similar state of affairs is observed in many other administrations.

TELEPHONES.

102. The total number of subscribers connected to the telephone exchanges at the end of the year was 2,436, an unprecedented increase of 226. There were also 1,249 extension circuits, extension bells and private lines maintained, an increase of 156. On 31st December, 1924, there were 2,463 miles of telegraph and telephone lines and 17,373 miles of overhead wires, of which 14,083 were telephone wires. In addition, there were 55 miles of cable, the length of the single line in the cables being 5,502 miles. These figures do not include railway wires and Federated Malay States Government wires in Johore. Ten additional public telephone exchanges were opened during the year at Gap, Bagan Serai, Parit Buntar, Semenyih, Utan Melintang, Sungei Siput, Nilai, Batang Malaka, Bahau, Pusing and a private exchange was established at Fraser's Hill. Many new trunk lines were established to connect these exchanges with the system, and to meet increased traffic requirements. Perhaps the most important of these

new trunk lines was that connecting Penang with the Federated Malay States system. The trunk telephone revenue was \$150,699 or 36 per cent. greater than in 1923. The general telephone revenue has doubled since 1921. There is every evidence that the public appreciate the economy of the telephone in their business and social affairs, and, with the return of prosperity, there is likely to be a period of extraordinary progress in this direction. A great effort has been made to overtake all the war-time and post-war arrears, and it may be said that by the 31st December this object had been attained.

103. A comprehensive trunk telephone scheme designed to meet the public demand for telephonic communication between Penang and Singapore and the many intervening points in the Federated Malay States was submitted by the Acting Director, Posts and Telegraphs, in February, and referred to the Government of the Straits Settlements, which has the matter under its consideration.

MALAYAN TRUNK
TELEPHONE
SCHEME.

104. The nett revenue collected by the department was \$1,714,829, an increase of \$74,881. Annually recurrent expenditure amounted to \$1,571,989 and special expenditure (including \$98,292 on loan account) to \$128,936. The value of the services performed free of charge for other Government departments, estimated at \$179,417, is not included in these figures which also exclude temporary and acting allowances amounting to \$152,439.

FINANCIAL.

105. The Post Office Enactment of 1905 was revised and brought up to date, the new Enactment having effect from 20th September.

"THE POST OFFICE
ENACTMENT, 1924."

106. On 30th June a Committee was appointed by His Excellency the High Commissioner to report what action, if any, was desirable to secure the most efficient and economical organisation of the Posts and Telegraphs Services of Malaya, the separate political entities of the Straits Settlements, Federated and Unfederated Malay States being duly preserved. The Committee took the evidence of the posts and telegraphs officials of the Straits Settlements and Federated Malay States, and, on the 15th September, submitted its report, which is still under the consideration of Government.

MALAYAN POSTAL
SERVICES
COMMITTEE.

107. The Malayan Wireless Committee met in Singapore on several occasions to discuss and report upon various wireless questions, including broadcasting and the issue of receiving licences. The final report has recently been completed and it is anticipated that temporary receiving licences will be available to the public in the immediate future, pending the establishment of broadcasting arrangements.

MALAYAN WIRELESS
COMMITTEE.

XIII.—PUBLIC WORKS.

108. The total expenditure of the department was \$10,287,003, and the cost of administration (\$1,422,443) represented 13.82 per cent. of it as against 15.16 per cent. in 1923. This figure does not take into account the fact that the services of the officers of the department are not confined to the department alone, but are frequently required by other departments, and Sanitary and other Boards. A saving on annually recurrent expenditure of \$519,764 has been effected, being more than sufficient to pay the salaries and allowances of the engineering staff.

GENERAL
EXPENDITURE.

WORKS AND
BUILDINGS.

109. The annual maintenance of "works and buildings" cost \$827,018, which represents 2.73 per cent. of the cost of the buildings. Four hundred and seventy-five new buildings were erected during 1924, the total number of buildings maintained by the department is 9,669, and their value is estimated at \$34,968,278. The replacement cost would be far higher.

NEW BUILDINGS.

110. No buildings of any magnitude or importance were undertaken during 1924.

ROADS.

111. There are 2,504 miles of metalled cart-roads, 114 miles of unmetalled cart-roads and 1,924 miles of bridle-roads and paths. The average cost of maintenance per mile of metalled roads was \$1,284 as against \$1,178 in 1923. The total expenditure upon maintenance of roads, streets and bridges was \$3,447,462 as against \$3,126,270 in 1923.

RIVERS.

112. River maintenance cost \$91,283 and extended over 267 miles of river.

ANTI-MALARIA
WORKS.

113. The expenditure on revenue account upon anti-malaria works was \$114,236 against a provision of \$139,800, and the expenditure on loan account was \$71,003 against a provision of \$254,002. This expenditure does not include the general expenditure of the Mosquito Destruction Boards upon oiling.

WATERWORKS.

114. The capital cost of all the waterworks is \$9,202,561, the maintenance cost was \$185,572 and the revenue \$366,838.

FRASER'S HILL.

115. The development of Fraser's Hill continued; the expenditure under loan account being \$154,685 out of a provision of \$175,323. The sum spent on maintenance being \$45,435 out of a provision of \$50,480.

LOAN ACCOUNT.

116. The provision upon the loan programme of works for the year was \$7,958,778, but the expenditure was only \$3,095,966.

XIV.—RAILWAYS.

WORKING.

117. The receipts from all sources were \$16,210,202, an increase of 10.46 per cent., whilst expenditure chargeable to revenue on all accounts amounted to \$12,931,774, a decrease of .25 per cent. The nett receipts for the year's working therefore amounted to \$3,278,428 compared with \$1,710,349 in 1923. This represented 1.67 per cent. on the capital expenditure against .89 per cent. last year.

RAILWAY RATES.

118. A new scale of charges for all classes of goods traffic was introduced in January, 1924, providing increased basic rates for all classes, but reductions in the sliding scale for long-distance traffic. The fares for second and third class passengers were reduced on the 1st July, 1924, from $3\frac{3}{4}$ cents and $2\frac{1}{2}$ cents to 3 cents and 2 cents per mile respectively, a return to the old standard rates for these classes.

PASSENGER TRAFFIC.

119. The number of ordinary passengers carried was 10,656,384 in 1923 and 10,814,586 in 1924. The number for the year therefore shews an increase of 1.48 per cent. over that for the previous year. The total receipts from passengers shew a decrease of \$25,647 (.44 per cent.).

120. Receipts from goods train traffic rose by \$1,347,950 from \$6,657,768 to \$8,005,718, being an increase of 20.25 per cent. GOODS TRAFFIC.

121. Expenditure on capital account is referred to in the prefatory note to this report. During the year the nett expenditure was \$3,796,036 as compared with \$5,183,234 in 1923. CAPITAL ACCOUNT.

122. On the Kelantan section, the line was opened for traffic as far as Kuala Krai (53 miles) and platelaying completed to the 63rd mile. Good progress was made with earthworks as far as Pergau (87 miles). The official opening of the Guillemard Bridge by His Excellency the High Commissioner (Sir Laurence Nunns Guillemard, K.C.B., K.C.M.G.), the longest bridge in Malaya, took place on the 19th of July. The tunnels at the 69th mile were started. The expenditure during the year amounted to \$1,388,696. KELANTAN SECTION.

123. Work was re-opened at the beginning of the year, and good progress was made with jungle felling and earthwork. Platelaying was completed up to 170th mile, and a Station opened at Chigar Perah (163rd mile) in August. Work commenced on the tunnel at 172nd mile. The expenditure during the year amounted to \$476,613. PAHANG SECTION.

124. Work which had been carried out over a period of years upon the wharves, reclamations and dredging at Prai had been completed towards the end of July, 1923, when the alarming discovery was made that, instead of there being a depth, according to the contract of 30 feet or over the dredged area, there was not more than 24 feet of water on the bar at low-tide. The reason put forward was that the rate of silting had been far greater than had been contemplated. This discovery naturally affected all the Government's projects for the use of Prai as a harbour and a wharf. The Government was advised that it had no option but to settle in full with the Consulting Engineers and the Contractors, and it has accordingly done so. The difficulty with which the Government is confronted is in regard to its policy for the future. The Government is advised that the cost of dredging the harbour to, and maintaining it at, the depth, width and length originally estimated, would be absolutely prohibitive, and that any scheme for the reduction of the depth, width and length of the area to be dredged would make the harbour unattractive to steamers. The Government is carefully studying the problem of the rate of siltage. At a meeting of the Federal Council on the 23rd February this year, the Government introduced a resolution to the effect that, pending further information regarding the silting problem at Prai, it is undesirable to incur any further expenditure in connection with Prai Wharves, or with dredging the Prai Harbour Basin. The debate was adjourned until the next meeting of the Federal Council. PRAI.

125. The Johore Causeway was opened by His Excellency the Governor on the 28th June. The expenditure during the year amounted to \$1,013,830. The Causeway is 60 feet wide on the top, and carries two tracks of railway and a roadway 26 feet wide. It has a total length of 3,465 feet. The greatest depth of the water is 77 feet, and the average depth 47 feet, at low tide. At the Johore end of the Causeway, provision has been made for the passing of small craft by means of a lock 510 feet long from end to end. The lock is provided JOHORE CAUSEWAY.

with a double set of gates spaced 170 feet apart, with a width inside the gates of 45 feet. The lock is crossed by a roller bridge, with three girders. The bridge is 57 feet wide, and carries the two lines of railway and the roadway. It weighs 570 tons, and it and the lock gates are operated electrically. In the construction of the Causeway, 1,641,712 cubic yards of granite were used. The total cost of the Causeway was approximately \$12,250,000.

TELUK AYER
GODOWNS,
SINGAPORE.

126. The Teluk Ayer godowns at Singapore have not, so far, been a successful investment. The capital cost to the Government was \$1,570,967. The cost to the Government last year was \$99,331, made up of \$17,600 for assessment, \$80,016 for ground rent, and \$1,715 for maintenance charges. The rent received was only \$64,350. The total leasable area of this property is 298,496 square feet, of which only 128,700 square feet are let.

MINOR WORKS.

127. Work progressed on the New Engine and Carriage Sheds and Goods Yards at Ipoh and Seremban, Klang River Bridge, and on the doubling of the line between Batu Junction and Sungei Besi. A deviation at Kuala Kubu was completed. The total expenditure during the year amounted to \$492,315.

RAILWAY BOARD.

128. The Railway Board held nine meetings during the year. It has four official and six unofficial members; and of the unofficials, one resides in Singapore and another at Penang.

PORT SWETTENHAM
WHARF.

129. It is a matter for regret that the large wharf at Port Swettenham, intended for the use of ocean-going steamers, has been condemned, as the berthing of ships at the wharf is dangerous, owing partly to the erratic currents, and partly to the fact that shallow water is extended, thereby reducing the manœuvring space which had existed originally. The wharf is 1,000 feet long by 50 feet broad, and is erected on screw piles. It cost \$2,050,000, and was completed in 1918.

DIVIDENDS.

130. The policy of the Government is that the railway should aim at paying 3 per cent. upon the open line, not only on the west coast but also on the east coast, except in respect of the section between Kuala Lipis and Chigar Perah. What is intended is not that, when the profits fall below 3 per cent., the charges of the department should be increased, but that, when 3 per cent. is exceeded, the charges should be reduced to the 3 per cent. level. In this connection, it is necessary to keep carefully in view the question of depreciation, which is very intimately connected with the whole question of the capital cost of the railway. The question, however, is really one of academic interest only, for in the past five years the nett profits upon the capital expenditure were 0.39 per cent. in 1920, 0.29 per cent. in 1921, 1.07 per cent. in 1922, 0.89 per cent. in 1923, and (as stated above) 1.67 per cent. in 1924. Having regard to the wealth of the country, the failure of the railway from the point of view of an investor affords a matter for grave and serious thought.

MOTOR
COMPETITION.

131. The competition, especially over distances of about 30 miles, of the hired motor cars for passengers, and of heavy lorries for goods, is cutting into the railway receipts very severely. It is the policy of the Government that the public interests demand that no obstacles be placed in the way of this competition, and that the only requirement is that

the roads, of which the maintenance is already a heavy charge upon the general tax-payer, should not be unduly torn up by the fast and heavy lorries of private individuals. It is beyond doubt that all fair competition can only be met by the Railway Administration by the reduction of its charges both for passengers and freight. In this connection, it is a matter for regret that the Government decided some years ago upon a very expensive policy of doubling the railway line between Kuala Lumpur and Port Swettenham, and between Batu and Sungei Besi.

XV.—GENERAL.

132. The year under review was the second year of the working of the Department of Public Trustee. The duties of the Public Trustee are (a) to act in the administration of estates of small value, (b) to act as an ordinary trustee, and (c) to act as a trustee appointed by the Court. During the year the Public Trustee accepted 11 trusts, the administration in 8 cases of the estate of a person deceased, and the deposit of 16 wills or copies of wills.

PUBLIC TRUSTEE.

133. The co-operative movement is still in its infancy, and is making good progress. Rural credit societies have increased from 6 to 20, and thrift and loan societies from 13 to 19. A number of societies is in process of formation. The total working capital used in the movement was \$278,993 last year as compared with \$73,461 in the preceding year. Public interest has been awakened, especially in the Malay peasant class, and the next year or two should see great developments.

CO-OPERATIVE
SOCIETIES.

134. It is the policy of the Government to employ persons born in Malaya, and especially Malays, in the Government service, but hitherto, for various reasons, Malays have not been attracted to the Posts and Telegraphs and the Railway Departments. At my request, a special effort has been made by the heads of these departments, with the result that 76 Malays found employment during the year as clerks, telephone operators, postmen, etc., whilst the number of Malays in the Railway Department has risen during the year from 264 to 385. The scheme for training Malays as Station Masters which was started, by my instructions, in November, 1922, is working well. There are now 25 qualified Malay Station Masters in charge of stations, and 15 in training. Malays are replacing Punjabis as railway policemen, and are giving satisfaction.

EMPLOYMENT OF
MALAYS IN CERTAIN
GOVERNMENT
DEPARTMENTS.

135. The Kuala Lumpur Sanitary Board made during the year the very interesting and important decision to levy the general assessment upon the unimproved capital land value of property instead of upon its annual land value. The rate for 1925 is .75 per cent. per annum of the unimproved land value. It is a matter for regret that no progress has yet been made with the proposal to convert the Kuala Lumpur Sanitary Board into a Municipality.

MUNICIPAL.

136. A Hindu Marriage Enactment, 1924, was passed during the year to provide for the voluntary registration of marriages of persons professing the Hindu religion. The Enactment came into force on the 1st January, 1925.

HINDU MARRIAGE
ENACTMENT, 1924.

LABOUR.

137. Returns of labour under section 82 of "The Labour Code, 1923," from 1,068 estates showed 119,242 Madras Indians, 30,884 Chinese, 4,516 Javanese and 4,715 other nationalities. The corresponding figures for 1923 were 121,463, 31,957, 4,791 and 4,894. In addition, figures show 18,895 Madras Indians, 2,039 Chinese, 152 Javanese and 2,497 other nationalities employed by Government departments. The total returns, from estates and Government departments combined, thus show 138,137 Madras Indians, 32,923 Chinese, 4,668 Javanese and 7,212 other nationalities.

THE MALAYAN
PAVILION AT
WEMBLEY.

138. The Malayan Pavilion at the British Empire Exhibition was not one of the least attractive to the general public. The building, though somewhat fanciful, was not without grace; and the interior, with a bright colour scheme, was both attractive and airy. A party of 19 Malays, including weavers, artisans, and general attendants, who all wore their full national dress whilst on duty were a successful feature of the pavilion; and the platforms on which exhibitions of handicrafts were given were always surrounded by a crowd. The Agricultural Department gave a comprehensive exhibit, including some excellent models, of which an ingenious model of a rubber tree in tapping deserves special mention. The exhibits of the Mines and the Geological Departments also included attractive working models, and were valuable both from an educative point of view and from that of the material information supplied to persons interested technically and financially. The Arts and Crafts Section was prepared by the Museums Department, and contained a beautiful and interesting display. A most gratifying appreciation of the Forest Section was received both from the general public and from persons interested in its technical and business side. Exhibits of timber, rattans, gutta-percha, damar, jelutong and minor forest products were included in the display. Forest Officers were brought into direct and frequent touch with manufacturers, with the result manufacturers obtained the most valuable information regarding the raw article as it first comes under human operation, and the Forest Officers obtained, in respect of the actual requirements of various trades, much information which they could not possibly have acquired in any other way.

FEDERAL COUNCIL.

139. The Federal Council was strengthened during the year by increasing the number of unofficial members from six to eight. The appointment of the Raja di Hilir of Perak and Towkay Wong Yick Tong, who were sworn in on 6th March and 28th July, respectively, followed on this decision.

WAR MEMORIAL.

140. On 30th March the Federated Malay States War Memorial at Kuala Lumpur was unveiled by His Excellency the High Commissioner in the presence of their Highnesses the Rulers. Detachments were present from the Cadets, the Malay States Volunteer Regiment, the Malayan Volunteer Infantry, Ex-Service Police, and the Royal Sussex Regiment. There was a large gathering of Ex-Service men and of the public. The memorial is of granite with bronze panels commemorating the names of those who left the Federated Malay States and fell in the Great War.

141. H.M.S. "Hood" and "Repulse", comprising part of the Special Service Squadron under Vice-Admiral Sir Frederick Field, K.C.B., visited Malaya in February. The visit aroused great public enthusiasm, and thousands of men, women and children were given special facilities to avail themselves of the opportunity to go over these battle cruisers. A banquet given to Sir Frederick Field and his officers by the Chinese community was one of the most successful features of the visit. Admirable arrangements for entertaining our guests were made by committees in Kuala Lumpur and Klang, and the thanks of the community are due to these committees.

SPECIAL SERVICE
SQUADRON.

142. In my last annual report, I described the year 1923 as being one of convalescence and recuperation. I would say that 1924 has been one of steady and most satisfactory improvement. The country, however, despite the favourable trade balance referred to in paragraph 10 of this report, is still far from having recovered its normal strength. Clear evidence of this is seen in the fact that, though the tin-miners are doing very well, and the rubber-planters are satisfied with the present, and confident of the future, nevertheless there is as yet no life in the landed property market, and there is no building activity. I venture, however, to prophesy that it will come. Reverting to the simile, with which I opened this paragraph, I would say that this country was so dangerously enfeebled by the delay in administering the admittedly dangerous, but equally undoubtedly, successful remedy of "Restriction", that its recuperative power has been seriously affected. The delay extended over the period March, 1921, to November, 1922. I do not wish to be understood to comment upon the delay: I merely refer to the fact that there was delay; and my point is that during all that time this country was, from month to month, steadily losing its strength, and its reserve of strength. Without being unduly optimistic, I would express my opinion that 1925 will see a marvellous improvement in the patient. The bad years, through which we have gone, have taught us many things, and will be of lasting value to us. We know more clearly than before that we are far too dependent upon the exports of our raw material, rubber and tin; that our banking facilities and arrangements are not what they should be; and that every effort must be made to encourage the installation of local industries and to stimulate the production of foodstuffs.

SUMMARY.

W. GEORGE MAXWELL,

*Chief Secretary to Government,
Federated Malay States.*

KUALA LUMPUR,
2nd May, 1925.

APPENDIX A.

FEDERATED MALAY STATES.

GENERAL RETURN OF REVENUE, EXPENDITURE, TRADE, AND POPULATION.

Year.	Revenue.	Expenditure.	Trade.		Exports of Tin and Tin-ore (in Tons).	Duty on Tin.	Exports of Rubber (in Tons).	Duty on Rubber.	Land Revenue and Land Sales.	Railway Receipts.	Population.	Year.
			Imports.	Exports.								
	\$	\$	\$	\$		\$		\$	\$	\$		
1889	5,013,000	4,091,078	15,653,456	19,720,689	26,029	1,750,008	...	...	190,538	359,025	373,343	1889
1890	4,840,065	5,237,275	15,443,809	17,602,093	26,976	1,609,401	...	...	166,054	406,032	398,780	1890
1891	4,572,310	5,554,800	14,889,942	18,495,554	32,114	1,573,441	...	...	199,680	414,889	424,218 \$	1891
1892	5,347,189	5,883,407	19,161,159	22,662,359	33,477	2,097,274	...	...	300,680	537,111	449,656	1892
1893	6,413,134	6,797,538	21,896,117	27,373,760	39,912	2,602,380	...	...	347,600	723,934	475,093	1893
1894	7,511,809	7,162,396	24,499,615	32,703,147	47,676	3,238,000	...	...	457,262	986,617	500,531	1894
1895	8,481,007	7,582,553	22,653,271	31,622,805	49,592	3,379,813	...	...	468,239	1,294,390	525,969	1895
1896	8,434,083	8,598,147	21,148,895	28,395,855	48,541	3,126,974	...	...	511,237	1,344,994	551,407	1896
1897	8,296,687	8,795,313	25,000,682	31,148,340	44,095	2,716,263	...	...	636,054	1,294,139	576,844	1897
1898	9,364,467	11,110,042	27,116,446	35,241,003	41,167	3,210,699	...	...	636,927	1,394,720	602,282	1898
1899	13,486,410	11,499,478	33,765,073	54,895,139	38,960	6,181,542	...	...	639,899	1,722,475	627,720	1899
1900	15,609,807	12,728,930	38,402,581	60,361,045	43,111	7,050,382	...	...	712,898	2,254,742	653,157	1900
1901	17,541,507	17,273,158	39,524,603	63,107,177	47,475	6,968,183	...	...	626,114	2,377,040	678,595 \$	1901
1902	20,550,543	15,986,247	45,757,240	71,350,243	47,258	8,438,775	...	...	661,668	2,856,640	714,435	1902
1903	22,672,567	16,219,872	47,790,059	80,253,944	50,842	9,590,505	...	...	721,304	3,608,054	750,276	1903
1904	22,255,269	19,318,768	46,955,742	77,620,084	51,733	8,814,688	...	...	801,959	3,605,029	786,116	1904
1905	23,964,593	20,750,395	50,575,455	80,057,654	50,991	9,249,627	104	...	887,593	3,940,599	821,957	1905
1906	27,223,476	18,899,425	50,926,606	80,832,325	48,617	10,036,798	432	50,023	1,437,753	4,564,100	857,797	1906
1907	28,793,745	20,225,993	52,542,277	80,593,196	48,429	9,395,825	905	97,752	1,701,682	5,200,911	893,637	1907
1908	24,623,325	25,874,573	48,171,243	65,599,933	50,835	7,285,864	1,402	113,981	1,598,713	5,066,153	929,478	1908
1909	25,246,863	23,633,851	46,194,598	76,273,438	48,743	7,155,124	2,698	360,055	1,623,876	5,188,111	965,318	1909
1910	26,553,018	23,598,610	53,255,151	102,851,990	43,862	7,162,026	5,439	962,973	2,201,469	5,868,507	1,001,159	1910
1911	35,056,544	25,202,749	66,532,039	116,280,927	44,148	8,818,764	8,792	999,207	2,290,962	7,058,689	1,036,999 \$	1911
1912	42,647,687	30,990,487	76,122,679	154,974,195	48,420	10,850,121	15,638	1,576,224	2,875,414	8,421,016	1,109,017	1912
1913	44,332,711	47,287,581	86,409,157	148,669,498	50,126	10,729,888 *	23,720	1,395,923	2,790,451 *	9,469,446 *	1,117,625	1913
1914	37,309,943	55,010,037	72,140,005	122,962,929	49,042	7,046,869	31,012	1,334,245	2,562,436	9,133,911	1,136,500	1914
1915	40,774,984	42,838,631	60,015,935	161,838,118	46,766	7,235,086	56,782	2,401,914	2,597,836	9,187,512	1,172,336	1915
1916	51,121,856	31,966,581	69,621,113	219,943,686	43,870	7,903,785	62,813	3,851,815	3,068,766	11,616,696	1,208,177	1916
1917	65,553,186	40,878,746	73,261,725	271,485,389	39,833	9,331,288	80,022	4,914,781	3,308,464	13,189,829	1,244,018	1917
1918	68,448,862	45,286,910	74,750,746	223,066,282	37,370	13,141,841	78,389	2,254,556	3,657,454	13,106,413	1,279,859	1918
1919	72,135,075	70,676,961	118,854,965	279,135,105	36,934	9,944,177	106,453	4,833,123	3,533,829	14,957,460	1,315,700	1919
1920	72,277,146	100,433,471	170,522,123	288,715,698	34,934	12,203,531	101,330	4,443,100	4,004,095	17,316,533	1,300,000	1920
1921	54,449,568	114,386,546	102,914,877	134,955,549	34,489	6,153,360	94,510	164,169	3,568,490	16,198,426	1,298,292 \$	1921
1922	52,494,116	49,811,007	78,822,349	140,429,775	35,286	5,766,808	128,461	802,390	3,731,041	13,816,324	1,360,876	1922
1923	63,952,132	52,825,572	89,088,237	197,100,950	37,650	8,265,195	101,311	4,664,374	3,919,900	14,675,106	1,389,667	1923
1924	70,715,407	54,161,234	97,436,302	212,884,740	44,043	12,543,624	93,507	4,228,677	4,135,322	16,210,202	1,418,455	1924

APPENDIX B.

STRAITS SETTLEMENTS STERLING LOAN CAPITAL ACCOUNT TO

Dr.

31ST DECEMBER, 1924.

Cr.

	\$	c.	\$	c.	\$	c.		\$	c.
To Loan Expenses—							By Loan Subscription—		
Interest on Deferred instalments, 6 per cent. Loan ...	268,092	28					(i) 6 per cent. 1936 to 1951 issued at £97 in December, 1921 ...	44,185,714	29
Interest on Deferred instalments, 4½ per cent. Loan ...	110,958	96					(ii) 4½ per cent. 1935 to 1945 issued at £95 in May, 1922 ...	36,000,000	00
			379,051	24					
Composition Stamp Duty, 6 per cent. Loan ...	552,321	42							
Composition Stamp Duty, 4½ per cent. Loan ...	360,000	00							
			912,321	42					
Discount on Issue Price, 6 per cent. Loan ...	1,325,571	43							
Discount on Issue Price, 4½ per cent. Loan ...	1,800,000	00							
			3,125,571	43					
Underwriting Commission, 6 per cent. Loan	441,857	14							
Underwriting Commission, 4½ per cent. Loan	360,000	00							
			801,857	14					
Commission for obtaining Underwriting, 6 per cent. Loan ...	110,464	29							
Commission for obtaining Underwriting, 4½ per cent. Loan ...	90,000	00							
			200,464	29					
Crown Agents' Commission, 6 per cent. Loan...	110,464	29							
Crown Agents' Commission, 4½ per cent. Loan	90,000	00							
			200,464	29					
Brokerage to Sundry Brokers and Bankers on the allotment of Stock, 6 per cent. Loan	108,049	28							
Brokerage to Sundry Brokers and Bankers on the allotment of Stock, 4½ per cent. Loan ...	89,355	00							
			197,404	28					
Miscellaneous — Stamps, etc., 6 per cent. Loan	5,873	21							
Miscellaneous — Stamps, etc., 4½ per cent. Loan	4,475	18							
			10,348	39					
Advertisement, 6 per cent. Loan ...	31,052	18							
Advertisement, 4½ per cent. Loan ...	29,630	03							
			60,682	21					
					5,888,164	69			
To Loan Works—									
Public Works Department ...	7,708,531	79							
Posts and Telegraphs Department ...	538,446	84							
Topographical Survey Department ...	368,236	93							
Railways—Open Lines...	1,001,445	13							
„ Construction	21,931,954	33							
					31,548,615	02			
					37,436,779	71			
					42,748,934	58			
To Balance ...					\$80,185,714	29			
							\$80,185,714	29	

PRINTED AT THE
FEDERATED MALAY STATES GOVERNMENT PRESS,
KUALA LUMPUR.