



Statement to accompany the Estimates for Colonial and Middle Eastern Services, 1928 (Class II. 9.)

*Presented by the Secretary of State for the Colonies
to Parliament by Command of His Majesty
July, 1928*

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NOTE.—A Statement explanatory of the Estimates for Colonial Services, 1926, and Middle Eastern Services, 1926, was published in July, 1926, as Cmd. 2704; and a Statement to accompany the Estimates for Colonial Services, 1927, and Middle Eastern Services, 1927, was published in July, 1927, as Cmd. 2906.

Statement to accompany the Estimates for Colonial and Middle Eastern Services, 1928, Class II. 9.

PREFACE.

The Estimate is an amalgamation of the hitherto separate Estimates for Colonial Services and for Middle Eastern Services. It shows a net decrease of £457,244 after allowing for charges transferred to the Votes for the Army and Air Force.

The grant to Cyprus is increased from £50,000 to £92,800 in view of the decision taken by His Majesty's Government last year that the Island should be relieved entirely of the burden of its contribution towards the Ottoman Public Debt charge by the increase of the Grant-in-Aid to an equivalent sum. Cyprus now contributes £10,000 per annum towards Imperial Defence. An increased grant has been provided for development in Dominica in accordance with a programme spread over several years. On the other hand, both Nyasaland and Somaliland require less in view of their improved financial position, while the grant for St. Lucia is this year solely in respect of an estimated deficit of revenue, whereas last year the Supplementary Estimate of July, 1927, provided for assistance towards reconstruction and relief of distress in connexion with the disastrous fire which largely destroyed Castries.

Of the group of Other Grants, that for Colonial Agricultural Scholarships alone shows a small increase made in the expectation that the number of scholars forthcoming will approach nearer to the maximum number of 20 contemplated by the scheme.

The four Western Pacific High Commission Services show a total increase of £1,696. This is mainly explained by the necessity for relief arrangements while the Agent at Tonga is on leave of absence, and by the inclusion of a sum towards salary and expenses of an officer to give legal assistance in connexion with the hearing of British Land claims by the new Hebrides Joint Court.

The inclusion of Middle Eastern Services in this Vote was the result of a decision by His Majesty's Government that the separate Vote should disappear, and that the items should be transferred to appropriate Votes, i.e., Army, Air Force, and Colonial Services. The latter Vote bears the extra cost of defence over the normal charges for the forces employed. The Middle Eastern group shows a net decrease of £471,000. Practically the whole of this reduction is in expenditure of a military nature. In 'Iraq it is due to the reduced strength of the British garrison, and the Native

Levies, and to a lower contribution towards the maintenance of the 'Iraq Army. In Palestine and Trans-Jordan it represents decreased contributions towards the Trans-Jordan Frontier Force. There is also a decrease of £22,000 in the Grant-in-Aid of Trans-Jordan Administration.

The Aden provision includes estimated expenditure on a small local military force to be raised there, in addition to civil expenditure in connexion with the Protectorate, apart from the Settlement for which India remains responsible.

Under "Miscellaneous" the allowance hitherto paid to the British Resident at Brunei, Borneo Subhead, has now been transferred to local revenues. The item therefore disappears. The amount necessary for Passages of Governors varies from year to year according to the probable movements of Governors at the expiration of their term of office in normal course. Governors receive these allowances according to a fixed scale, laid down in the Regulations for His Majesty's Colonial Service, on taking up their appointments, and on relinquishing them at the end of their term, for the purpose of meeting their various expenses including the passages of their families and staff. The fixed scale is temporarily increased by 50 per cent. Under Boundary Commissions is included £1,000 for the salaries during leave of the British Commissioners who delimited the Jubaland boundary on the transfer of that district from Kenya to Italy in accordance with the Treaty with Italy of 1924. This Commission is now dispersed. The Rhodesia-Congo Boundary Commission has been in the field since July, 1927, and the work now undertaken is expected to last quite two years. A Commission to begin work on the boundary between British and Italian Somaliland is now being arranged and is expected to commence operations in the field about November, 1928.

Appropriations-in-Aid of this Vote show increases in respect of the 'Iraq Native Levies arising out of disposal of buildings, etc., on disbandment of part of the Force, and on account of the receipts from the Western Pacific for fees, fines, etc., hitherto paid to the Exchequer.

Extra Receipts, being cash payable to the Exchequer, in respect of interest and sinking fund contributions on loans to East African Governments provided on the Colonial Services Vote in former years, are estimated for as usual; that for Nyasaland is correspondingly higher in view of the resumption of sinking fund payments which had been suspended for two years. Receipts in respect of the Port of Basrah and the Kamaran Quarantine Station now find place in this Estimate with the transfer of Middle Eastern Services.

NOTES ON MATTERS OF GENERAL INTEREST.

A Summary of the Proceedings of the Colonial Office Conference,* held at the Colonial Office from the 10th to the 31st May, 1927, and a volume of Appendices thereto, have been published as Cmd. 2883 and Cmd. 2884.

Steps have been, or are being, taken in consultation with Colonial Governments, to give effect to many of the recommendations of the Conference; in particular the proposal for the formation of a unified Colonial Agricultural Service and the creation of a Headquarters Advisory Council of Agriculture and Animal Health has been pursued by a Committee under the Chairmanship of Lord Lovat. The Report of this Committee has been published as Cmd. 3049, and the Secretary of State has recently communicated their recommendations to Colonial Governments, with a view to ascertaining whether they agree to the initial steps being taken to give effect to the scheme.

An outstanding feature during the past year in the progress and development of the Colonial Empire has been the Imperial Agricultural Research Conference, which was held under the auspices of the Ministry of Agriculture and Fisheries from the 4th to the 28th of October, 1927. This Conference was attended by delegates from twenty-four Colonies, Protectorates, and other Dependencies. A full Report and Summary of the proceedings of the Conference has been published as a Non-Parliamentary Paper, and copies have been distributed to the oversea Governments concerned.

Another important event during the past year has been the Imperial Education Conference, which met at the Board of Education from the 20th of June to the 8th of July, 1927, and at which some sixteen Colonial Governments were represented. The Report† of its proceedings has also been published and distributed to Colonial Governments.

* See pages 5-6 of last year's Statement, Cmd. 2906.

† Non-Parliamentary Publication, 1927.

EAST AFRICAN DEPENDENCIES.

(a) GENERAL.

A Commission, with Sir Hilton Young as Chairman, was appointed last year to consider the question of securing more effective co-operation between the several British Governments in Eastern and Central Africa. The Commission left for East Africa last December and returned to this country in May, and they are now engaged in the preparation of their report.

Kenya.

The Native Lands Trust Bill which has passed Second Reading and a Select Committee has been provisionally held up by the Secretary of State pending his consideration of the views of the Closer Union Commission on the general problem of native land tenure.

Tanganyika.

The system of indirect native administration the institution of which was referred to in last year's Statement* was further extended during 1927 and has proved to be effective and popular with all sections of the community. In particular, it was found possible to establish such native administrations in some of the coastal areas where tribal organization had previously almost ceased to exist.

Northern Rhodesia.

In Northern Rhodesia in the autumn of 1927, the Joint Anglo-Belgian Boundary Commission commenced an intensive delimitation of the Congo Zambesi Watershed Section of the Boundary. Work on this is at present proceeding. In March, 1928, the Northern Rhodesia (Crown Lands and Native Reserves) Order in Council was passed establishing certain native reserves in the East Luangwa District of Northern Rhodesia.

(b) ECONOMIC DEVELOPMENT.

Kenya and Uganda.

The Governor of Kenya has in contemplation schemes for further land settlement and an agreement under the Empire Settlement Act for joint assistance to intending settlers from this country is under consideration. A scheme has been arranged, in conjunction with the Empire Marketing Board, for assisting the importation of pedigree live stock into Kenya from the United Kingdom. Other

* Cmd. 2906.

proposals for submission to the Empire Marketing Board are being formulated. The Governor has also under consideration the establishment of an Agricultural Land Bank.

The Kenya Estimates for 1928 showed a small surplus after allowing for extraordinary expenditure of £205,071. A loan of £5,000,000 5 per cent. stock was issued in November, 1927, and was over-subscribed. The proceeds have been devoted to the repayment of the Parliamentary loan of 1924 and to railway and port purposes. A further loan of £3,500,000 4½ per cent. stock for transport and public works was successfully floated in May, 1928.

The following tables show (i) the import and export trade, excluding transit trade, (ii) the principal exports, and (iii) the percentage of exports to and imports from Great Britain in 1927 as compared with the previous year :—

(i) KENYA AND UGANDA.

	Imports		Exports.	
	Kenya.	Uganda.	Kenya.	Uganda.
	£	£	£	£
1926	4,197,657	1,964,174	2,414,341	3,596,045
1927	4,947,569	1,819,961	3,086,916	2,310,300

Combined value of trade imports and exports of Kenya and Uganda.

	£
1926	15,525,258
1927	14,804,329

(ii) EXPORTS.

	1926.	1927.
	£	£
Cotton	3,056,940	1,692,568
Maize	280,596	505,893
Coffee	895,080	1,310,701
Sisal	579,499	468,974

(iii) PERCENTAGE OF EXPORTS TO AND IMPORTS FROM GREAT BRITAIN.

	1926.	1927.
Exports	49.5	47.4
Imports	37.12	38.34

Uganda suffered from the low world prices of cotton during the 1926-27 season, and although higher prices ruled during the 1927-28

season, weather conditions were unfavourable and not only the cotton but the food crops were unsatisfactory. There is, however, every reason to hope that these setbacks are only temporary, and as the Protectorate had at the end of 1926 a surplus balance of £1,227,874, it was possible to draw upon this reserve to tide over the period of difficulty and to enable the programme of necessary development works to be carried on without undue interruption. It is proposed that the Protectorate shall in due course raise a loan under the East Africa and Palestine Guaranteed Loans Act, to provide for certain major works which cannot appropriately be met from surplus funds or from revenue.

Zanzibar.

The Harbour Works are expected to be completed this year. Good progress has been made in the construction of roads throughout the islands, which have been of great benefit to the population. The clove industry is in a somewhat depressed condition owing to low prices, and the growing competition of other sources of supply, and of synthetic substitutes for clove oil in manufacturing. Careful attention is, however, being given by the Government to the improvement of the local organization of the industry and to the development of other economic resources.

Tanganyika.

The general financial position continues to be satisfactory. The revised estimated revenue (excluding Railway revenue) for 1927-28 was £1,770,000, an increase of £48,300 over the original estimate and of £78,238 over revenue for 1926-27. Revenue for 1928-29 is estimated at £1,826,650: Railway revenue for the years 1926-27-1927-28 and 1928-29 shows similar satisfactory increases.

The following table shows the value of trade for the year 1927, as compared with that for 1926 :—

	<i>Imports.</i>	<i>Exports.</i>	<i>Transit Trade, i.e., with the Belgian Congo.</i>
	£	£	£
1926 ...	3,152,422	3,129,292	1,423,045
1927 ...	3,672,064	3,440,576	1,493,010

(The figures given do not include bullion and specie, but include Government imports, which amounted to £558,716 in 1926 and £570,879 in 1927.)

Of the import trade for 1927, 58.4 per cent. was with the United Kingdom and British Possessions.

The amount of sisal fibre (the chief export of the Territory) exported in 1927 was 33,012 tons, to the value of £1,160,735. This is an increase of 7,990 tons over the 1926 figure, which was itself a record one. Planting is being considerably extended, and increased production is anticipated in 1928. Exports of cotton and

groundnuts decreased: in the former case owing to diminished plantings due to the low prices obtainable, in the latter owing to unfavourable seasonal conditions. There were large increases in the exports of grain (millet, maize, etc.) and of bees-wax.

A satisfactory feature of 1927 was the continued low mortality in native stock, which, amounting to over 4,500,000 cattle and 4,000,000 sheep and goats, constitutes the main wealth of the majority of the population. Rinderpest, which in 1920 and previous years threatened to exterminate the Territory's entire stock, in 1927, owing to control measures instituted by the Veterinary Staff, caused the loss of less than 0.16 per cent. of the total herds of the Territory, and its total suppression is in sight. The increase of cattle since the inception of British administration in the Territory exceeds a million head.

Nyasaland.

The value of the exports of Nyasaland, including re-exports but not including specie, reached a total of £960,868 as against £671,086 for 1926. The quantity and value of tobacco shipped during the year again showed a substantial increase over the quantity exported in 1926, namely, 15,466,032 lb. with a value of £780,963 as opposed to 9,142,437 lb. with a value of £457,122.

Northern Rhodesia.

An expert from the Imperial Forestry Institute visited the Territory to examine the forestry resources, and his report is now under consideration. The tobacco crop export during 1927 was the largest ever exported from the Territory, amounting to 3,302,025 lb. as against 2,052,682 lb. in 1926.

(c) COMMUNICATIONS AND TRANSPORT.

Kenya and Uganda Railway.

(i) The Tororo-Mbulamuti-Jinja extension was opened on the 11th January, 1928, and now provides extensive cotton-producing areas in Uganda with direct railway communication to Mombasa.

(ii) It is anticipated that construction of a branch line from Kisumu to Yala (about 30 miles) in the North Kavirondo District of the Nyanza Province will be begun at an early date.

(iii) Construction work has already commenced on the new branch line from Gilgil to Thomson's Falls, a distance of about 50 miles.

(iv) The extension of the Thika-Nyeri Branch to Naro Moru, the present terminus, was opened on the 1st November, 1927.

(v) Authority has been given for the continuation of the Tororo-Soroti branch beyond Mbale so far as the funds available allow. It is understood that the line has already taken cotton from Mbale under construction conditions.

(vi) Work on the deep-water berths Nos. 3 and 4 at Kilindini is proceeding.

Tanganyika.

Work on the Tabora to Mwanza extension is nearing completion, and it is hoped that the whole line will be open for traffic by the beginning of August, 1928. By the end of 1927, 192 miles out of the total length of 237 miles had been completed and 122 miles (to Shinyanga) was opened to traffic. Preliminary surveys of the possible south-westerly extension (Dodoma-Fife) were completed in 1927. A location survey of the proposed branch line from Manyoni, on the Central line to Mkalama, on the Iramba plateau, is in progress. Construction of the extension of the Tanga line from Moshi to Arusha was begun in October, 1927, and is expected to be finished by March, 1929. On the existing lines, revenue and traffic of all classes during 1927 showed considerable increases.

An engineering survey of Dar es Salaam harbour is being carried out with a view to future development. Reconditioning of the Tanganyika Railway s.s. "Liamba" was completed and the vessel started a regular fortnightly service on Lake Tanganyika in July, 1927.

Considerable progress has been made with the uncompleted portion of the road programme approved by the Guaranteed Loan Committee. Surveys are being made of alternative routes to connect Dar es Salaam with the central road system (Kilosa-Handeni) in the Territory.

Nyasaland.

In Nyasaland a further examination is being carried out by experts on the site of the proposed Zambesi Bridge. A location survey for possible railway extensions to Lake Nyasa and other surveys recommended by the East African Guaranteed Loan Committee have been completed, and the reports of these surveys are now under consideration.

Northern Rhodesia.

In Northern Rhodesia satisfactory progress has been made with the programme of road construction and improvement approved by the Guaranteed Loan Committee.

(d) TRAINING AND RESEARCH.

The East African Agricultural Research Institute at Amani, Tanganyika Territory.

The Director of the Institute, who was appointed at the end of 1926, made a tour of the East African Dependencies in the early months of 1927 to obtain information as to the needs of those countries for agricultural research. He then returned to England, and submitted a scheme for the future working of the Institute,

which has been approved by the Secretary of State. Excluding the Director, ten officers (scientific and administrative) have now been appointed, of whom eight are at work at the Institute and two undergoing preliminary training in this country.

Kenya and Uganda.

The International Sleeping Sickness Commission of the League of Nations concluded its work at Entebbe in June, 1927. Arrangements are being made for the inquiries initiated by them to be carried on by British scientists working at Entebbe under Dr. Duke, the Director of the Entebbe Laboratory, who was President of the Commission.

The investigations into the mineral content of natural pastures and into the question of native dietetics, which were begun in Kenya on the recommendation of the Committee of Civil Research and with the assistance of the Empire Marketing Board, are proceeding.

Tanganyika.

The scientific staff of nine officers for the Tsetse Fly Research in the Tanganyika Territory, for which a sum of £70,000 has been set aside from Guaranteed Loan Funds, has now been appointed, with one exception. Work during 1927 has been concentrated on the delimitation of the fly-belts and a minute examination of their fauna, flora, and foci. A local committee has been set up to co-ordinate all the work that is being done by various Departments (Veterinary, Medical, etc.) against the tsetse fly. The Director of the Veterinary Laboratory at Mpwapwa is being seconded on his return from leave in June, 1928, for a special investigation in connexion with the immunity of certain breeds of native cattle from trypanosomiasis and new methods of curative treatment for infected animals.

It was found possible to increase very largely in 1927 the sums spent on Education (especially grants-in-aid to Missions) and Medical Services and the European staffs of both Departments, and these are to be still further increased in 1928. The new Education Code for the Territory, which has been prepared in consultation with the missionary authorities, came into force on the 1st January, 1928.

Nyasaland.

A new Education Code has been introduced and increased grants are being made by the Protectorate Government in support of the education work of various Missionary Societies.

Northern Rhodesia.

The establishment of the Agricultural and Veterinary Research Station at Mazabuka, in Northern Rhodesia, is progressing and the agricultural portion of the work is well advanced though delays have occurred in the building programme. A number of new schools are being opened to provide educational facilities in mining areas. A new boarding school for girls is to be opened in July at Choma, and the necessary staff has been selected.

WEST AFRICAN DEPENDENCIES.

(a) GENERAL.

Nigeria.

The total volume of trade during 1927 was £32,472,012. For the first quarter of 1928 the figure was £9,009,249. During the past year, owing to the fall in the price of cotton, exports of this commodity fell off considerably. Cocoa crops continue to flourish and the efforts of the Agricultural Department in inducing the native farmers to pay more attention to the preparation of the crop are proving successful. A scheme is being worked out for providing assistance to enable palm oil to be produced by modern factory methods, and it is hoped that the establishment of such factories will in time put an end to the "Sumatra menace," or enable it to be faced with equanimity.

Like everything else in this world, a forward policy of active development has to be paid for. Just over a year ago Nigeria floated a loan with very marked success and the public debt now stands at £23,500,000, the annual burden of interest amounting to £1,587,619, from which, however, can be deducted the amount borne by the railway as its share of the debt. That amount is £747,000, so that the net liability falling on the general revenues of the Colony is £840,000 a year. The revenue of Nigeria is not elastic, the people are individually poor, though the country is potentially rich, and it is difficult to see how any large further revenue can be raised. The estimated revenue for 1928-29 is £5,775,000, if the railway is not included. The expenditure, on the other hand, is estimated at £7,435,000, thus involving a deficit of £1,660,000. The excess of assets over liabilities was estimated to be £5,569,000 at the beginning of the financial year, so that the Colony is perfectly solvent, though, if the reserve becomes depleted it may be necessary to curtail some programmes of work. In order to face any possible fluctuations of revenue the Colony proposes to retain the sum of at least £3,500,000 as a reserve. Development will proceed and will no doubt produce its reward in time in the shape of increased revenue, but the fact must be faced that growth in revenue and prosperity is slow as compared with the growth of expenditure caused by a bold and forward policy.

Gold Coast.

The financial position is most satisfactory. The revenue for 1927-28 was £4,082,000 and the expenditure £3,606,500. These figures are easily a record. They do not include the revenue and expenditure on the railway, but the net surplus on the railway, viz., £116,200, is included in revenue. In addition to projected railway extensions costing between £4,000,000 and £5,000,000, the Gold Coast Estimates envisage an expenditure of some £4,400,000 from surplus balances. That sum is being spent on the following main objects, in round figures:—Communications (roads and telegraphs), £1,000,000; Public Health (hospitals, water supplies, town improvements, sanitary precautions), £850,000; Educational Buildings (including Achimota), £650,000; Agriculture, £180,000; Takoradi Development, £890,000; Maps, £180,000; Miscellaneous (electric light, quarters, police buildings, miscellaneous buildings, special staff), £650,000. In other words, surplus revenue is being invested in capital improvement, three-quarters of it being devoted to Communications, Public Health, and Education.

Sierra Leone.

One of the most important questions which has arisen in Sierra Leone during the past year has been that relating to the abolition of the remaining traces of domestic slavery in the Protectorate. This matter received a publicity rarely accorded to the affairs of Sierra Leone, and has been dealt with in detail in Cmd. 3020. It is sufficient to say here that a Judgment of the Local Court of Appeal revealed the fact that in certain circumstances the existence of a status of slavery in the Protectorate might be recognised in law. Immediate steps were taken to deal with the position and to remove this lacuna in Sierra Leone's previous slavery legislation. An Ordinance was passed, and came into force on the 1st January, 1928, totally abolishing so-called domestic slavery in the Protectorate.

(b) ECONOMIC DEVELOPMENT.

Nigeria.

Agriculture.—The estimate shows an increase from £80,000 in 1926-27 and £95,000 in 1927-28 to £131,000 in 1928-29. In particular, the staff is being strengthened on the research side. Three additional chemists are being provided for to enable the important chemical work to be placed on a satisfactory footing. Provision is being made for an Agricultural School at Samaru in the Northern Provinces, and research is being directed towards improving the quality of cotton grown in Nigeria. In particular, endeavours are being made, with good prospects of success, to establish a variety of native cotton

which will provide a long staple and prove satisfactory in use as well as easy to cultivate and resistant to local diseases.

Livestock.—The Veterinary Department has increased its activities very much in recent years. The campaign against rinderpest has been an unqualified success, and it is now stated that the native cattle-owners in the Northern Province readily bring their cattle for immunisation against this plague. It is hoped to issue 150,000 to 200,000 doses of anti-rinderpest serum each year. Further research is now beginning on the problem of the improvement of stock by the careful selection of suitable strains of native cattle, which appears to promise more satisfactory results than attempts to improve the breed by the importation of stud animals.

Minerals.—The principal minerals in Nigeria are tin and coal. The completion of the Eastern Railway has led to greater activity in the tin-fields, both because the supply of cheap coal from the coal-mines renders it possible for mining companies to work with coal-driven plant in preference to the much more costly oil, and also because the haul to Port Harcourt is much shorter than the haul to Lagos. The coal-mines are being developed as occasion demands, and it is hoped that next year 430,000 tons will be produced. The General Manager of the Railways states that the internal consumption of coal is going up by leaps and bounds. Arrangements are being made to improve the capacity of Port Harcourt as a bunker port, and it is hoped that the new coal installation will soon be at work.

Gold Coast.

A local committee appointed to advise on the agricultural requirements of the Gold Coast has submitted a valuable report recommending a reorganization of the Agricultural Department, an increase of staff, more thorough investigation into local crops, and the establishment of agricultural societies and co-operative credit societies. Some of the recommendations have already been adopted and put into force; the others are receiving careful consideration.

Very satisfactory progress continues to be made in the demarcation of forest reserves under the new Forests Ordinance. In 1927, 393 square miles of new reserves were constituted as compared with 67 square miles in 1926.

The exports of gold in 1927 showed a decline as compared with 1926, but it is believed that the setback is only temporary. The exports of manganese increased to 403,187 tons and of diamonds to 460,959 carats.

During the course of the year the controversy with the Basel Mission Trading Society which had been dragging on since the conclusion of peace was settled. The terms of the settlement were

that the Trading Company shall be reinstated in its properties, receiving in addition a sum of £250,000, while the Commonwealth Trust, Ltd., was to receive £55,000 to enable it to carry on its work on new premises.

Sierra Leone.

Sierra Leone was long regarded as a country whose only economic resource lay in the development of its agriculture. Last year, comment was made upon the fact that mineral resources in the form of deposits of high-grade hæmatite had been discovered. Further mineral discoveries can now be recorded. Deposits of platinum have been found which it is thought may prove to be of considerable importance. In making this discovery the Director of Geological Survey found what is believed to be the largest nugget of native platinum yet found in the British Empire. This nugget has been presented to the Natural History Section of the British Museum at South Kensington. Numerous applications for mining rights have been received by the Sierra Leone Government, and are under consideration.

Steps are being taken to develop an export trade in fruit, and with the financial assistance of the Empire Marketing Board an Experimental Fruit Farm under expert management will shortly be established in the Colony proper. Work is proceeding upon the model oil-palm plantation, while demonstration plots have been formed to demonstrate to the natives the importance of wild oil-palm stands, as well as to provide data as to yields.

The extension of cocoa planting is being vigorously carried out. Considerable progress has been made with the planting of coconuts. The cultivation of castor beans is being extended, while ginger, yams, piassava, and cotton are other products the cultivation of which the authorities are doing everything possible to encourage.

(c) COMMUNICATIONS AND TRANSPORT.

Nigeria.

The outstanding event during the past year has been the completion of the Nigerian Eastern Railway providing rail communication from Port Harcourt to Kaduna, with a branch to the tin-fields. Unfortunately, it became evident that silting in the River Benue would prevent the satisfactory working of the train-ferry and it has accordingly been decided to construct a bridge, which will be the longest in Africa, and will cost just under £1,000,000. It is interesting to note that this bridge will provide for road transport as well as rail.

The Governor has laid down as the policy to aim at the construction of at least 150 miles of new railway each year, but such construction is only possible if it is divided among different areas,

so as not to throw too large a burden on the available labour force in any one district. At present, lines are under construction from Zaria north-westwards and from Kano eastwards, with a small branch in the extreme south near Lagos. Surveys of further possible branches are being undertaken and construction can be begun as soon as there is satisfactory evidence that the construction of a railway will be advantageous in any area.

Linked with railways are roads, and a comprehensive scheme of road construction has been drawn up by the Public Works Department. This involves the construction of between 400 and 500 miles of new road each year, which is by no means a simple problem. As an illustration of the development of the road system it may be mentioned that the vote for maintenance of roads and bridges, which was £67,000 in 1927 and £72,000 in 1927-28, is now £126,000. The object in view is to provide main lines of communication which will enable cars to cover the greater part of Nigeria at all times of the year. As elsewhere, the greatest difficulty in road construction consists in the provision of the necessary permanent bridges.

There is nothing to record in connection with mechanical transport and water transport, as the aim of the Government is to avoid competing with commercial enterprise in either direction as far as possible. Experiments have been in progress with regard to the most suitable type of motor vehicle for use in Nigeria. Different types of tractors have been tried and, though fairly satisfactory, have so far proved wanting in some essential characteristic for use in Nigerian conditions. An interesting experiment will be begun towards the end of this year with a six-wheeled lorry fitted with producer gas plant. This experiment is being conducted by the Empire Cotton Growing Corporation and the Colonial Government working in conjunction.

Harbour works are proceeding satisfactorily. Improvements at Port Harcourt are being pressed forward, while at Lagos the new cargo wharves are in working order and steamers can now discharge cargo alongside. Additional equipment for these wharves is being ordered.

Gold Coast.

The last section of the Central Province Railway was opened for traffic in December, 1927, bringing the total mileage up to 485 miles. Detailed reports have been received on the survey of alternative routes for the proposed railway to the Northern Territories. The survey of a route for a railway in the Western Province of the Colony was commenced in December, 1927.

Takoradi Harbour was opened on the 3rd of April, and, though there is still some minor work to be carried out, it is hoped that the whole work will be finished by about July. The latest estimate of cost is £3,305,000. The benefits which the Gold Coast

will reap from the possession of a deep-water harbour cannot be overestimated.

Seventy-five miles of new roads were completed during the year by the temporary Roads Department, and a further 84 miles are under construction and expected to be completed by October. The cost varies between £600 and £970 per mile according to the type of country traversed and the number of bridges required.

Sierra Leone.

The provision of roads still remains Sierra Leone's greatest need. The problem of opening up communications in the Protectorate is engaging considerable attention. Experiments are now being made to open up "pioneer" roads; that is to say, rough roads which can be made cheaply by a modern type of motor tractor.

(d) MEDICAL, RESEARCH, AND EDUCATION.

Nigeria.

The Medical and Sanitary Departments are still handicapped by shortage of staff, although there are now in Nigeria more qualified medical men employed by Government than in any previous period. In fact, Nigeria could employ many more, supposing that the personnel were forthcoming and the money to pay for them also available. The sums provided in the 1928-29 Estimates for medical and sanitary expenditure (not including expenditure on hospitals, drainage, buildings, etc.) total £520,000 out of an estimated revenue of £5,881,000.

A large party is engaged on the special work of tsetse fly investigation, and the Nigerian Government expects to spend just under £25,000 on that work during the course of the year.

The staff of the Sanitation Department is being brought up to strength by the appointment of the full number of Medical Officers of Health and Senior Sanitary Inspectors, as it is becoming more and more recognised that this Department is one of the most important in the maintenance and welfare of the Colony. Unfortunately, since 1924 there has been plague in the town of Lagos and in some of the adjoining districts. A special party has been engaged in a heroic attempt to eradicate plague from Lagos, and, judging by the great reduction of cases reported, their efforts appear to be meeting with considerable success.

In addition, a beginning is being made with the establishment of medical schools where natives of the Protectorate can be trained in elementary medical work so as to fit them for service as dispensers and subordinate medical officers.

An interesting development is that plans are being prepared for the re-modelling of the town of Lagos on modern lines and the institution there of a proper drainage system.

As regards Education, there has been a notable forward policy in the Southern Provinces. The expenditure of the Southern Provinces Education Department has mounted from £118,000 in 1926-27 and £154,000 in 1927-28 to £185,000 in 1928-29. The staff has been greatly expanded, and it is proposed to establish in the course of the year two training colleges for teachers, one in the eastern part of the Protectorate, the other in the west. A Girls' Secondary School has been instituted in Lagos and is making a satisfactory beginning.

Gold Coast.

The establishment of a medical school in British West Africa capable of producing fully-qualified medical practitioners has been under consideration for many years. In November, 1927, a representative Committee to consider the matter assembled at Accra and decided that secondary education in West Africa has now reached such a standard as to justify the establishment of a College of Medicine. The Committee put forward two separate schemes, one for a College in the Gold Coast to train fully-qualified medical practitioners, the other for a School in each Colony to train medical assistants. The whole question is receiving careful consideration.

Satisfactory progress continues to be made with the building programme at Achimota. Over 750 pupils are already being taught in the buildings which have been completed. The Government Training College for Teachers has been moved there from Accra.

During the past year the cause of medical research has sustained a severe blow in the deaths, while engaged in the investigation of yellow fever, of Professor A. Stokes, Professor H. Noguchi and Dr. W. A. Young. The two former were engaged with the Rockefeller Commission on Yellow Fever, while the third was Director of the Medical Research Institute at Accra.

Sierra Leone.

A new out-patient block of the Connaught Hospital at Freetown has now been completed, and financial provision has been made for a further new ward block for this hospital. A good deal of attention is being paid to infant welfare work and the medical inspection of school children. A general survey of diseases in the Protectorate is being undertaken.

Proposals have been approved for improving the training of male and female teachers for the Primary Schools, and to provide for Government assistance to Missions for the erection of better school buildings.

Agricultural Research.—A good deal of attention is being paid to questions of agricultural research, and the Agricultural Department contains a special Division for the purpose, comprising a Chemical Section, which is largely engaged upon soil surveys, a

Mycological Section, which has been investigating the possibilities of different varieties and strains of oil-palms and investigating fungoid diseases, and a division of Entomology, which has been doing important work in connection with the locust and insect pests generally.

EASTERN DEPENDENCIES.

(a) FINANCE AND GENERAL.

Ceylon.

The financial position continued to be very satisfactory.

A Special Commission under the Chairmanship of Lord Donoughmore visited the Colony during the year 1927-28 to enquire into the working of the constitution of the Colony. It is expected that their Report will be available for publication on 16th July.

Malaya.

Finances.—The financial position is so far fairly satisfactory. There was an excess of revenue over expenditure in the Federated Malay States of some \$2,500,000 for the year 1927 and the estimated surplus of assets on 31st December, 1927, was \$95,588,000. On the other hand, there was an anticipated deficit in the Straits Settlements for the year of some \$7,500,000 but there remained a surplus of some \$55,000,000. The fall in the price of rubber and to a less extent in tin, together with the difficulty of safeguarding the Government monopoly of opium against the ever-increasing supplies of smuggled opium from China and elsewhere, renders the immediate outlook less favourable.

Town Planning.—Progress is being made in all the States with the preparation of town plans, including the laying out of areas for housing purposes.

Mauritius.

It was again necessary, in forming the Estimates for the financial year 1927-28, to anticipate a surplus of expenditure over revenue, which will be met from surplus balances.

Their Royal Highnesses the Duke and Duchess of York visited the Colony in the course of their homeward voyage from Australia. The visit gave the keenest pleasure to all sections of the population.

Seychelles.

The financial position of the Colony remained highly satisfactory.

The Colony suffered a severe loss through the death of the Governor, Sir M. Stevenson, K.C.M.G., which occurred on the 27th of November, 1927, after a period of less than four months' service as Governor. He has now been succeeded by Mr. de S. M. G. Honey, C.M.G., formerly Resident Commissioner of Swaziland.

Hong Kong.

Trade is improving, and despite the continuance of civil war in China the financial prospects are not unfavourable. Good progress has been made in paying off the Trade Loan. Loan funds, locally raised, will assist in the development of the new commercial aerodrome and in the improvement of the water supply. There has been a great improvement in relations with Canton, the continuance of which will be of great benefit to both places.

(b) ECONOMIC DEVELOPMENT.

Malaya.

Agriculture.—The severe floods following a prolonged drought greatly reduced the rice crop in most parts of Malaya except in Malacca. Assistance was given by the Agricultural Department which has enabled the Malays to renew their crops.

The development of oil-palms has continued satisfactorily and considerable acreage has been added to the estates. Bananas are now being grown by small holders for supply of the towns.

The experimental station at Serdang has been well maintained and 16 acres added to the area. Among the subjects in which research and experiments have been carried on are, the cultivation of oil palms, the decortication of sisal, and the growth of trees yielding chaulmoogra oil. The new experimental station at Cameron Highlands is the scene of experiments in the cultivation of tea, coffee, and cinchona. Research has also been undertaken into the effect on the soil of the continuous growing of crops of tapioca and an important general investigation into the chemical and biological composition of the soils of the peninsula has been inaugurated. Investigation is being made as to the possibility of producing commercial alcohol from the Nipah Palm.

Fisheries.—A specially built vessel, the "Tongkol," has been engaged in experimental trawling in deep waters. So far, no specially valuable discoveries from an economic standpoint have been recorded, but interesting scientific data have been collected.

Forestry.—Progress has been made in the reorganization of the Department. Arrangements have been made to recruit three additional members of the superior staff each year up to 1930 inclusive. Shortage of forest labourers has caused difficulty but it is hoped to recruit suitable men in India. It is hoped that Malaya may shortly become self-supporting as regards timber, firewood, and charcoal.

Experimental timber-impregnation plant and modern timber-testing apparatus have been installed. At Kepong, which is to be the headquarters of the research work of the Department, good progress is being made with the necessary buildings and with the

preparation of the plantations. The cost of the main building is estimated at \$175,000.

Minerals.—There is some increase in the output of tin; bucket dredges are increasingly used, the latest type digging to a depth of 120 feet. A commission has been appointed to consider the difficulties in regard to the regime of rivers resulting from tin-mining operations.

Miscellaneous.—The co-operative movement, both in the towns and the country, is making good progress. The total number of societies has increased to 111; and the savings of the urban societies amount to \$1,250,000. A proposal for the establishment of a Co-operative Bank is under consideration.

Ceylon.

The year has been a satisfactory one for the principal agricultural industries. The total exports of tea during 1927 amounted to approximately 225,000,000 lb., as compared with 216,000,000 lb. in 1926. Exports of rubber totalled 53,000 tons, as compared with 58,000 tons in the previous year.

Mauritius.

The final estimate of the 1927-28 sugar crop is put at 216,000 tons, which shows an improvement on the figures for last year.

The development of the tobacco industry reached the stage at which the export of tobacco on a commercial scale could be begun. Results are regarded as distinctly encouraging.

Preliminary steps were taken with a view to establishing a pineapple growing and canning industry.

Seychelles.

Final figures for the year are not yet available, but there is no reason to suppose that the year was not a satisfactory one in regard to the main industries of vanilla, essential oils, and copra.

Following on the report of Mr. J. Hornell, the authority on the fisheries of the Indian Ocean, who visited the Colony in 1926, measures for the revival of a fishing industry are under consideration.

The whaling concession granted in 1926 was withdrawn owing to the failure of the *cessionnaire* to take it up.

(c) COMMUNICATIONS AND TRANSPORT.

Malaya.

Railways.—Owing to the destructive floods at the beginning of the year, little progress could be made in 1927 with the East Coast Railway. More than 1½ million dollars had to be spent on Flood Restoration work. Nearly all the construction camps and other

temporary structures were destroyed, and a considerable stretch of nearly completed line was so much damaged that it had to be handed back to the Construction Department. The repairs have been completed and progress is being made, especially with the tunnels. There are now 1,083 miles of railway open to traffic and 111 miles under construction.

Roads and Mechanical Transport.—There are over 2,500 miles of metalled and gravelled roads, of which over 700 miles have been treated with bituminous compounds. They are used by more than 16,000 motor vehicles.

Aviation.—Negotiations have been undertaken with a private company to establish aerial communication between various places in Malaya, and India and the Netherlands East Indies. An aviation club has been formed and is to receive a measure of Government assistance.

Ceylon.

The railway to Trincomalee was completed, and the line to Batticaloa approached completion during the year. Other railway extensions and improvements were actively pressed on. Progress on the main works of the Government hydro-electric scheme was suspended pending the appointment of a Chief Engineer, but the transfer to the Government of the electric lighting of Colombo was effected. The Government's fuel-oil installation at Colombo was in active operation, and the duplication of the pipe-line from the tanks at Kolonnawa to the Harbour approached completion.

Mauritius.

Work proceeded during the year on the improvement of Port Louis Harbour and the reorganisation of the Mauritius railways.

(d) TRAINING, RESEARCH, AND EDUCATION.

Malaya.

Medical and Public Health.—The staff of the Malayan Medical Service after a long period of shortage has now been brought up nearly to authorised strength. The College of Medicine, Singapore, was recently visited by an officer of the General Medical Council, who reported very favourably upon the standard of education and the buildings, equipment, and staff of the College. Research in malaria and other fevers and in problems of nutrition has been pursued at the Institute for Medical Research, Kuala Lumpur, and the College of Medicine, Singapore, and important additions to knowledge have been made.

Education.—Raffles College will shortly be opened, making provision for education of University standard. A number of the staff have already been appointed. A number of new elementary Government schools for English education have been opened. In

Malacca a site for a High School has been bought for \$115,000. A number of new aided schools have been built, Government bearing half the cost. The provision of playing fields has been taken in hand; and instruction in hygiene in all schools is receiving attention. In the Federated Malay States, the Sultan Idris College, which trains teachers for the Malay Vernacular schools, had 351 students at the date of the latest return. The Malays are showing greater interest in female education, and in the principles of rural science as exemplified in school gardens. A scheme for a School of Agriculture for Malaya, and for an adequate technical school, is under consideration.

Hong Kong.

The Medical Department has lately been reorganized and expanded to enable it to deal more effectively with problems of the public health.

The appointment of a Malaria Expert and of two additional Health Officers has been authorised.

A School of Chinese Studies has been established in the University of Hong Kong as from January, 1927 which, it is anticipated, will be of the utmost value in promoting mutual understanding between Europeans and Chinese. Unfortunately it will be impossible to maintain it much less, to develop it into a Faculty in which degrees can be taken, unless financial assistance, which the Colonial Government is unable to afford, is forthcoming from other sources.

The view is strongly held in the Colony that some of the Boxer Indemnity might be usefully devoted to this purpose and to other objects of the University.

In view of the fact that some 250 of the 300 students are of Chinese races, for the most part, Chinese subjects, such an object would clearly be one of mutual advantage to China and Great Britain.

Ceylon.

Work proceeded on medical research and preventive measures, with the principal aim of combating malaria. Arrangements have been made for a number of officers of the Department of Sanitary Services to undergo special training in the United States of America under the auspices of the International Health Board. The usual programme of agricultural research and experimental work was similarly carried forward throughout the year.

After prolonged controversy, progress has been made with the consideration of proposals for the conversion of the University College, Colombo, into a University for Ceylon. The services of Sir Walter Riddell, Principal of Hertford College, Oxford, have been secured as Chairman of a Commission to draw up a scheme for the establishment of the University.

Mauritius.

The campaigns against malaria and ankylostomiasis continued to occupy the attention of the Medical and Health Department. Work on the construction of a central rat-proof granary at Port Louis was proceeded with.

During the year much consideration was given to the possibility of increasing the prosperity of the sugar industry. A sugar industry conference was held to discuss the various questions connected with the cost of production, the improvement of the quality of the cane, the elimination of cane diseases, etc.

A Farm School has been established with the object of providing a theoretical and practical training for young men in farming and agriculture, and a system of agricultural and forestry cadetships was founded concurrently.

THE WEST INDIES AND BRITISH GUIANA.

Jamaica.

The Jamaica Banana Producers' Association, which has been formed to promote the marketing of bananas on a co-operative basis and controls from 6,000,000 to 8,000,000 stems of bananas, has concluded an agreement with certain American fruit companies for the transport of fruit to Canada, the United States of America, the United Kingdom, and Europe. The agreement is drawn up on the usual profit-sharing lines and provides for a guaranteed fixed minimum payment on every bunch of bananas irrespective of the profit or loss of the companies. It also provides for the inauguration of a direct line for the transport of fruit to the United Kingdom and Europe, consisting of three ships to be ready for service by the 1st July, 1929. The Government of Jamaica have guaranteed a sum of £200,000, to be raised by the Association for this and other purposes.

Windwards.

Saint Lucia is still suffering severely from the effect of the disastrous fire of May last, from the failure of the banana industry, and from the wither-tip disease of limes: and its financial resources are unable to meet the unprecedented strain thrown upon them. Further subvention from Imperial funds will be required to meet a portion of the estimated deficit of about £8,000 for 1928 and the Treasury have under consideration proposals for a grant-in-aid of agricultural development to be spread over a period of ten years.

British Guiana.

As a result of the report* of the Parliamentary Commission, which visited the Colony at the end of 1926, an Act of Parliament has been passed enabling the King to create a new constitution for the Colony. The details of the new constitution have been the subject of a report by a Local Commission, which has been approved by the Secretary of State and will be carried into effect by the Order in Council of which the draft has been laid before Parliament in accordance with the provisions of the Act. The report of the Engineer lent by the Malay States Government to make a preliminary railway survey has been issued and recommends a system of road transport to the interior as opposed to a railway which the report regards as uneconomic and, at the present stage, unnecessary.

OTHER DEPENDENCIES.

Cyprus.

Trade has recently been showing a welcome improvement. Imports for 1927, amounting to £1,585,940, show an increase of £15,662 over 1926. There was also a growth in the values of exports amounting to £499,299. Carobs, asbestos, pyrites, potatoes, raisins, cotton, and barley were the chief commodities in which increases were recorded. Not only were the quantities exported in excess of the previous year, 1926, but there was an advancement in prices, especially of carobs, raisins, and wine. The average production of cereals was good and prices were high.

The development of the citrus-fruit industry has, in particular, been encouraging. Nearly 21,000,000 oranges were exported in 1927 against 14,000,000 in 1926. An expert who visited the Island last December pronounced one of the Cyprus varieties of oranges to be the finest in the world. The question of improving the cultivation and marketing of the fruit is receiving close attention, and it is hoped that it will be possible in time to build up a substantial export trade to the United Kingdom.

The production of silk is steadily increasing, largely owing to the encouragement given to the industry by the establishment of the Filature in the Island by a British company, and also by the preferential duty in this country. The development of the Island mineral resources is also proceeding satisfactorily. The output of asbestos in 1927 was 11,200 tons, or almost double the figure for 1926. The output of pyrites from the Skouriotissa Mines reached over 200,000 tons, or 40,000 tons over any previous year.

1928 marks the 50th anniversary of the British occupation of the Island. Special stamp and coin issues have been made to commemorate the occasion.

* Cmd. 2841.

Notice has been drawn recently to the great antiquarian interest of the Island by the results of the Crown Prince of Sweden's excavations at Soli and Lapithos, and also by the discovery of an heroic bronze statue of the Emperor Septimius Severus.

In 1927 His Majesty's Government decided to relieve Cyprus of the burden of the Ottoman Public Debt charge, on condition that the Cyprus Government contributed £10,000 a year towards the cost of Imperial Defence. This arrangement was accepted, and the result is that the Island revenues are now relieved of a net charge of £32,800 a year. It is hoped that with this money available it will now be possible to undertake a programme of works for the improvement of the Island, notably in matters of agriculture and irrigation.

Falkland Islands.

The "Discovery" returned to England in September, 1927, and the staff have since been busily engaged in working up the results. The "William Scoresby" has done valuable work on plankton and hydrology in South Georgia and South Shetlands and is still in the Colony. Certain harbour surveys have been completed and will shortly be available for publication. One of the scientific staff was detached to accompany a whaling expedition to the South Sandwich Islands. Ice conditions precluded a landing and only work at sea could be accomplished.

Fiji.

Finance and General.—The financial position shows a further improvement, the revenue for 1927 exceeding the expenditure by £51,635.

A loan of £765,000 has recently been floated in this country and was largely over-subscribed. The loan has been raised partly to meet the cost of roads, schools, Government buildings, water supply and other Public Works, and partly to extinguish earlier loans and advances.

Economic development.—The total trade in 1927 amounted to £3,220,677, the value of the imports being £1,223,303 (a decrease of £257,642 over 1926) and the value of the exports £1,997,374 (an increase of £256,947 over 1926). The chief exports were sugar, copra, and bananas.

A valuable report upon the timber resources of the Colony has been obtained.

Communications and Transport.—Provision has been made for the construction of an additional slipway (for small craft) and for considerable expenditure on roads.

The wireless system has been transferred from the Government to the Amalgamated Wireless (Australasia) Limited.

Training and Research.—The scheme for an enlarged Medical School in Suva, for the training of native medical practitioners, is progressing satisfactorily.

No new outbreaks of the coconut moth (*Levuana iridescens*) have been reported. The special campaign against this moth, which has been described as the most serious agricultural problem ever faced in the Colony, has met with such success that it may soon be brought to a close.

The efforts to improve the quality of the copra produced in the Colony are being continued, and experimental work is also being undertaken in connection with bananas, cotton, pineapples, and rice.

MIDDLE EASTERN TERRITORIES.

Palestine.

Economic development.—The period of economic depression in Palestine has continued throughout the past year. The position was unfortunately aggravated by a severe earthquake in July, 1927, which caused serious damage, and by a prolonged drought in the south of the country. In spite of these handicaps the country made material progress. While imports in 1927 were lower by £P.400,000 than in 1926, exports of Palestinian produce showed a gratifying and significant increase of nearly £P.600,000 over 1926.

A fruit inspection service has been organised and a trial consignment of table grapes was shipped to the United Kingdom. It is intended to pursue to the full the possibility of increasing the value of citrus fruit exports from Palestine.

Altogether 250 square miles of forest are now reserved and the entire forest area of Palestine, excluding artificially created forests, is now estimated at 300,000 acres. In 1927 nearly 1,000,000 trees were planted.

The activities of the Stud Farm have increased and additions have been made to the pedigree stock. A Fisheries Service has been set up.

Communications and Transport.—The Palestine Loan was issued in December, 1927. Of the sum of £4,500,000 thus raised, the larger part has been used in paying off debts to His Majesty's Government and in reimbursing the advances made by the Crown Agents and from revenue to enable capital works to be carried out in anticipation of the loan. The remainder will be spent on railway improvements, various public works, and the construction of a deep-water harbour at Haifa. It is hoped that construction of this harbour will begin in the autumn.

Considerable progress has been made with the construction of new and the improvement of existing roads.

Training and Research.—An interesting experiment in calf rearing has been conducted in Palestine in consultation with the Rowett Research Institute. This experiment showed that calves could be reared in Palestine much more economically than is possible by the methods hitherto locally accepted. A demonstration of its successful results held in Palestine in March attracted a good deal of local attention.

The activities of the Department of Education were extended by their taking over additional duties in connection with the inspection of Jewish schools to which an increased grant is now made.

Within the limits of the funds available, the work of the Department of Health was extended, particularly in the direction of training nurses to conduct child welfare and school work.

Other points.—A special staff has been appointed to undertake the important work of land settlement. As an experimental measure the annual assessment of agricultural produce for the purpose of tithe was replaced in selected areas by an average aggregate annual tithe payable by the reputed owners of village lands.

Mr. Rockefeller has announced a gift of 2,000,000 dollars for the construction, equipment, and maintenance of an archaeological museum at Jerusalem.

The prevailing economic depression has resulted in a contraction of Government revenue: while it has been found necessary to mark time in the programme of expansion of social and other services, it has been possible, without over-spending current revenue, to maintain those services at their old level and to institute new services where these were considered to be essential for the well-being of the country.

On 1st November, 1927, the new Palestine currency was introduced, and on 31st March, 1928, the Egyptian currency previously legal tender ceased to be so. The new currency has been well received.

Trans-Jordan.

An agreement was concluded in February by which His Majesty recognised the existence of an independent Government in Trans-Jordan under the rule of H.H. The Amir.*

Public security continues to improve: the revenue of the country has increased and, as a result, it has been found possible to reduce the amount of the grant-in-aid of the Civil Administration.

A severe earthquake in July, 1927, caused serious damage and loss of life.

Trans-Jordan has adopted the new Palestine currency.

Aden.

Full effect has now been given to the decision recorded last year that control over the political and military administration of Aden

* Cmd. 3069.

should be transferred to the British Government. Control over the military forces at Aden has been transferred from the War Office to the Air Ministry and the Colonial Office have assumed responsibility for political administration at Aden. The Government of India thus remains responsible only for the internal administration of the Settlement. Sir Stewart Symes, late Chief Secretary to the Palestine Government, has been appointed as the first Resident under the new arrangements and takes up his duties in the middle of July.

Zeidi forces have continued in occupation of a large part of the Aden Protectorate. Negotiations, which it was hoped would lead to the evacuation of most of the occupied territory, were opened in April last but unfortunately proved to be abortive. The truce which had been granted at the request of the Imam was extended to give him time to consider a proposal for the immediate conclusion of a brief treaty providing for the recognition of his independence in the Yemen and the recognition by him of the frontier of the Aden Protectorate with certain modifications in his favour. The Imam, who asked for a further extension of the truce, was informed that the extension would be given provided that as an earnest of good faith he evacuated the town of Dhala by the 20th of June. This he failed to do. Consequently, air action was recommenced on the 25th of June after demonstration flights had been made and warnings dropped giving four days' notice.

'Iraq.

General.—The principal event during the past year was the signature in London on the 14th December last of a new Treaty with the King of Iraq* to replace the previous Treaties of 1922 and 1926. This Treaty provides for the conclusion of new Military and Financial Agreements to replace the existing Agreements signed in 1924. Negotiations for the revision of these Agreements are now proceeding with the 'Iraq Government. The new Treaty will not enter into force until the new Financial and Military Agreements have been concluded.

Towards the end of 1927 and during the early part of 1928 the peace of the Western Desert Frontier of 'Iraq was seriously disturbed by a series of raids by Akhwan tribesmen. Protests addressed to His Majesty the King of the Hejaz and Nejd elicited the information that these raids were being carried out in direct defiance of His Majesty's instructions. Special defence measures were taken to protect the 'Iraq tribes, and, in February last, units of the Royal Air Force were successful in inflicting severe punishment upon a raiding party of some 2,000 Akhwan, who had penetrated into 'Iraq territory. No further raids occurred, and His Majesty's Government, in response to a suggestion by King Ibn

* Cmd. 2998.

Saud, sent out Sir Gilbert Clayton to Jeddah to discuss the whole matter with His Majesty with a view to a satisfactory settlement.

Before final agreement had been reached, however, the conversations had to be suspended owing to the Pilgrimage, which required the presence of the King at Mecca. Sir Gilbert Clayton took advantage of the opportunity thus afforded to return to London for further consultation with His Majesty's Government. It is hoped that the interrupted conversations will shortly be resumed.

Economic Development.—During the period under review, oil has been found in three places in 'Iraq in quantities which would seem to hold out good prospects of future oil production on a large scale.

In the course of the year, an important Agreement was entered into with a British Company whereby that Company was granted a lease over a large area of land for the purpose of development.

Communications and Transport.—Owing to lack of funds, railway development is proceeding but slowly in 'Iraq. A survey of the route to be adopted for the proposed extension of the existing system from Kirkuk to Mosul is, however, in progress. The whole question of the future of the 'Iraq Railways, including that of financing the necessary re-conditioning and development of that system, is at present under active consideration.

Research.—Recently the 'Iraq Government agreed to set aside a sum of money for the purpose of an enquiry into the best means of improving the existing organization for the marketing of 'Iraq dates. The Empire Marketing Board are assisting in this enquiry.