

Wason
DS646.33
B86+
1899

ASIA

CORNELL
UNIVERSITY
LIBRARY



BOUGHT WITH THE INCOME
OF THE SAGE ENDOWMENT
FUND GIVEN IN 1891 BY
HENRY WILLIAMS SAGE

Cornell University Library
DS 646.33.B86 1899

Views of British North Borneo :with a br



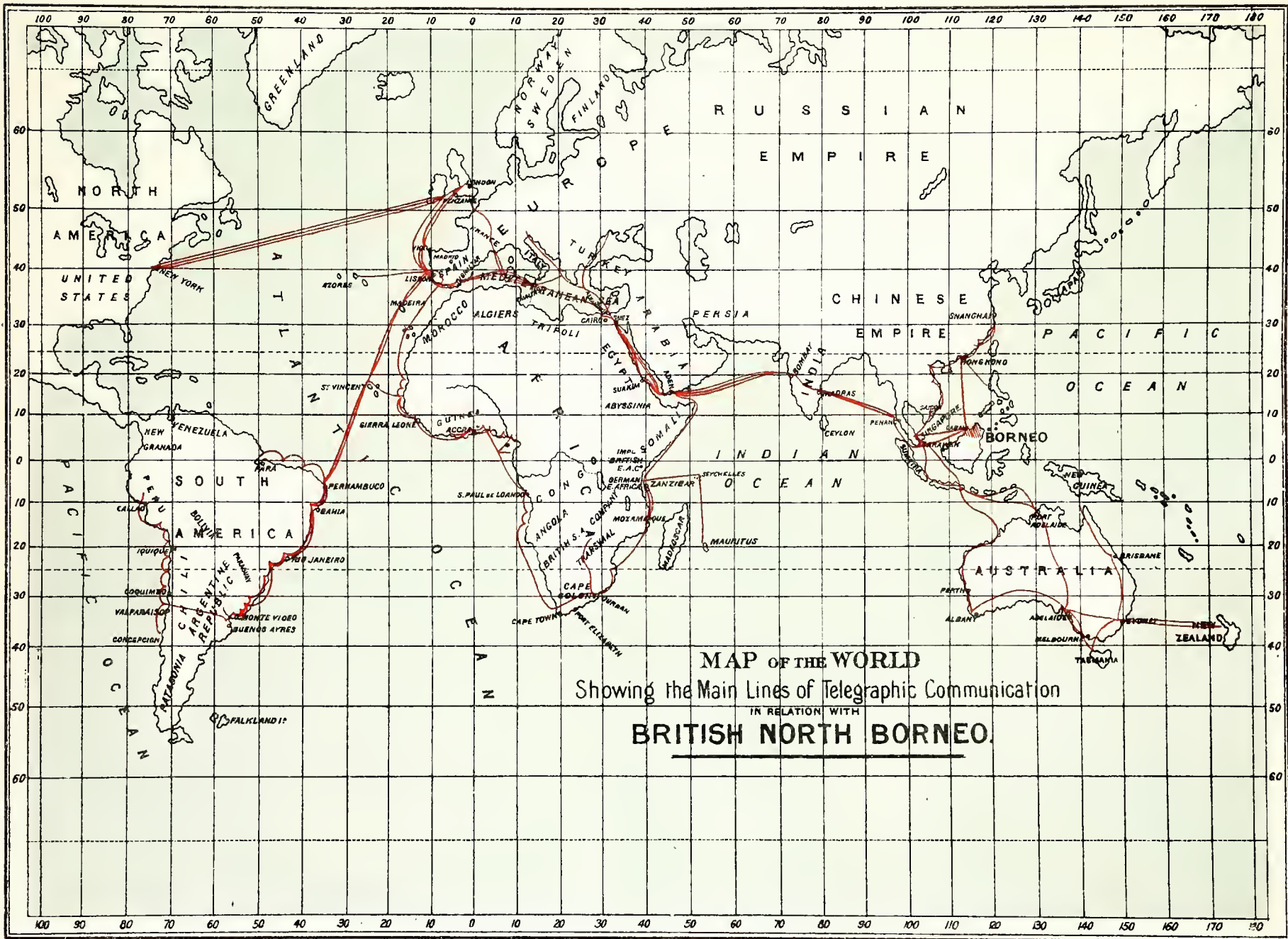
3 1924 023 147 352 ech.ove1



The original of this book is in
the Cornell University Library.

There are no known copyright restrictions in
the United States on the use of the text.

<http://www.archive.org/details/cu31924023147352>



MAP OF THE WORLD
 Showing the Main Lines of Telegraphic Communication
 IN RELATION WITH
BRITISH NORTH BORNEO

William Brown & Co. Ltd. 25, St. Mary Axe, London.

VIEWS
OF
BRITISH NORTH BORNEO

WITH A BRIEF HISTORY OF THE COLONY,

COMPILED FROM

OFFICIAL RECORDS

AND

OTHER SOURCES OF INFORMATION OF AN AUTHENTIC NATURE,

WITH

TRADE RETURNS, &c.,

SHOWING THE PROGRESS AND DEVELOPMENT OF THE CHARTERED COMPANY'S
TERRITORY TO THE LATEST DATE.

(Most of the Photographs were taken by Dr. JOHNSTONE and Mr. A. J. WEST, officers of the Company.)

Offices of the Company: 15, LEADENHALL STREET, E.C.

London:

PRINTED BY WILLIAM BROWN & Co. LIMITED, 36-42, ST. MARY AXE, AND 40-41, OLD BROAD STREET, E.C.

1899.

INDEX.

A 102110
9/10/

	PAGE.
INTRODUCTION	3
BRIEF POLITICAL HISTORY	4
GEOGRAPHY	9
GOVERNMENT STATIONS AND SETTLEMENTS	17
POPULATION	17
CLIMATE, &c.	18
TRADE PRODUCTS	21
,, RETURNS	21
MINERALS	24
GOLD	25
AGRICULTURE	26
FORM OF GOVERNMENT	28
REVENUE	29
CURRENCY AND BANKING	29
SPORT, NATURAL HISTORY, &c.	30
EUROPEAN LIFE	33
MEMORANDUM ON THE PROPOSED RAILWAY EXTENSION	37
PROGRESS	43
CONCLUSION	47
IMPORTANT	53

INTRODUCTION.

ALTHOUGH only seventeen years have passed since the political and business worlds of London were startled by the announcement that a Royal Charter had been granted to the British North Borneo Company, clothing the Company with powers, privileges and responsibilities far beyond the common, yet the subject has now almost entirely slipped out of public notice, and few, save those immediately interested, know what has been the result of the efforts of the Company which took upon itself the task of building up a new State in the far Eastern seas.

It is due to the Proprietors to let the world know how far they have deserved the confidence placed in them by our Legislators, and the information contained in the following pages is given for that purpose. Although not an exhaustive account of the potential wealth of the Company's territory, this brief history may serve to create universal interest in the gigantic undertaking having for its object the development of a vast and fertile tract of country which, from its position



Mr. Harington G. Forbes, Secretary. Sir Charles J. Jessel, Bart., Vice-Chairman. Mr. Richard B. Martin, M.P., Chairman. Mr. William C. Cowie, Managing Director. Captain W. Raffles Flint. Mr. A. T. Wardrop. Mr. Edward Dent.

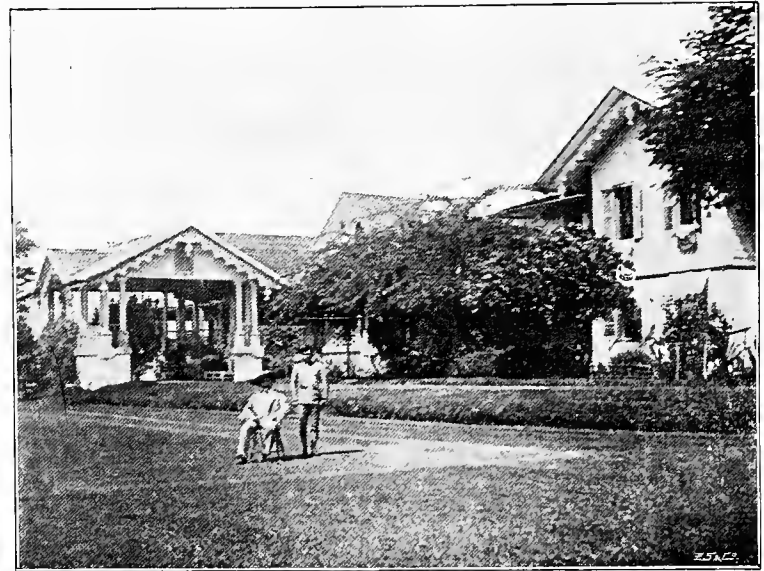
Court of Directors, British North Borneo Company, with Dyak Jubilee Police Contingent, which took part in Her Majesty's Diamond Jubilee Celebrations

and its great natural resources, must one day become an important adjunct to the British Empire.

The photographs from which the illustrations are produced were not specially taken for this work, and therefore give but a faint idea of the Company's property as a whole, which comprises in its 31,000 square miles some of the finest scenery and most prolific soil in the world.



Mrs. Creagh, "At Home," Sandakan.



Government House, Labuan.

BRIEF POLITICAL HISTORY.

THE MODERN HISTORY OF NORTH BORNEO commenced with the occupation of the island of Labuan by the British Government in 1847.

In 1865, Mr. Moses, the American Consul in Brunei, procured for himself from the Sultan of Brunei a cession of territory, which embraced a large portion of that now occupied by the British North Borneo Company.

That cession and the rights appertaining thereto, were transferred to an American Trading Company, whose representative—Mr. Torrey—after staying a few months on the Kimanis River, had finally to abandon the attempt of establishing his Company in North Borneo.

In 1872 "The Labuan Trading Company," under the management of Mr. W. C. Cowie, established itself in Sandakan. This Company, whose chief partners were Mr. Carl Schomburgk and Mr. J. D. Ross, carried on a lucrative trade for three years when its business was taken over by Mr. Cowie in conjunction with the Sultan of Sulu, whose chiefs were in possession of the whole of the north-east coast of Borneo from Marudu Bay to Sibuku.



Telegraph Station—Loongbawang—on the Padas River.



View in Sandakan.

In 1877 Mr. Torrey induced Baron Overbeck and Messrs. Alfred and Edward Dent to treat with him for his Company's cession. This, however, having lapsed, these gentlemen formed a syndicate for the purpose of revivifying the original rights, and, through the instrumentality of Baron Overbeck, succeeded on the 29th December, 1877, in inducing the Sultan of Brunei to vest in them, in perpetuity, certain of the Sultan's rights in North Borneo.

Moreover, on the 22nd January, 1878, the Sultan of Sulu, through Mr. Cowie's influence, transferred all his rights in North Borneo to Baron Overbeck, the representative of the Syndicate.

Possession of the territory was immediately afterwards taken on behalf of the Syndicate by Messrs. W. B. Pryer, W. Pretyman, and H. L. Leicester, the pioneer officers who accompanied Baron Overbeck during his negotiations with the above-named Sultans.

After visiting North Borneo Mr. Alfred Dent returned to England, and considerable interest was soon evinced in the novel venture, notably by Sir Rutherford Alcock, K.C.B., Admiral the Hon. Sir Henry Keppel, G.C.B. (who years previously had materially assisted in consolidating the power of Rajah Brooke in Sarawak), Admiral R. C. Mayne, C.B., the Hon. W. H. Read, M.L.C., of the Straits Settlements, and Mr. R. B. Martin, M.P. Early in 1881 the British North Borneo Provisional Association, Limited, was formed, taking over the cession with all rights and properties. Meanwhile a petition was addressed Her Majesty for a Royal Charter which was granted on the 1st November, 1881, whereupon the British North Borneo Company was formed in May, 1882. Thus armed and authorised, it took over all the rights, territorial and sovereign, conveyed in the



Chinese Mimmers.



Dyak Sham Fight.

original grants of the two Sultans, and proceeded as a corporate body, under the Royal Charter, to organise a service for the administration of the territory and the development of its resources. The Company further acquired the Putatan River (1st May, 1884); the Padas District (November, 1884), including the important rivers of Padas and Kalias, the Tawaran and Bangawan rivers being included in the same deed of cession; the Kawang River (21st February, 1885), and the Mantanani Islands (10th April, 1885). Mr. W. H. Treacher, C.M.G., the first Governor of the Company's territory, negotiated these concessions.

In 1888 the interests of the Shareholders in the Company were further safeguarded by the action of H.M. Government, who declared the territory to be under the protection of Great Britain.

On the 12th May, the terms of the Protectorate were formally signed by the Marquess of Salisbury on behalf of the Imperial Government, and by Sir Rutherford Alcock, then Chairman, on behalf of the Company, and henceforth "The State of North Borneo" became the official designation of the territory.

In 1890 the British Government showed its confidence in the Company by placing the island of Labuan under its administration.

More recently (30th March, 1898), as the outcome of the Mat Salleh rebellion, Mr. W. C. Cowie successfully completed arrangements whereby the Sultan of Brunei transferred to the Company all his sovereign and other rights over the districts of



The Barracks, Sandakan.

Menkabong, Menggatal, Inanam, Api Api, Membakut and Kwala Lama, and all lands, seas, bays, rivers, &c., in North Borneo lying north of the Padas river, which had hitherto been in the Sultan's possession.

By this means the many *enclaves* which had existed, and which, being the resort of the disaffected inhabitants of the country, had been a source of continuous annoyance and trouble to the Company's administration, became valuable possessions of the Company, and enabled it to consolidate its territory into one compact whole.

The annual sum payable by the Company to the Sultans and various Chiefs, in consideration of all the above-mentioned cessions of territory, is only \$23,131 = £2,313.



Interior entrance to the Penotal Gorge.
(On route of Railway.)

GEOGRAPHY.

(a.)—EXTENT, BOUNDARIES,
&c.

The territory of British North Borneo includes the whole northern portion of the great island of Borneo, from the Sipitong stream on the west to the Sebattik Island on the east, and is coterminous with the northern boundary of the Sultanate of Brunei on the west coast, and that of the Netherlands possessions on the east. It is, roughly speaking, of pyramidal form, the apex being towards the north, the China Sea washing its western, and the Sulu and Celebes Seas its eastern coasts. The following positions are approximate :—

The Sebattik boundary is in latitude $4^{\circ} 10' N.$, the Sipitong boundary in latitude $5^{\circ} 06' N.$, while the territory extends to the north as far as latitude $7^{\circ} 25' N.$ The most westerly point is that of Kalias, longitude $115^{\circ} 20' E.$, and the most easterly, Hog Point, $119^{\circ} 16' E.$ Its area, exclusive of islands, is computed at 30,403, and with the islands, over 31,000 square miles.

The coastline of the mainland measures about 800 land miles. Geographically and strategically the territory is favourably situated as regards ocean routes. The west coast borders the highway of vessels trading between Europe, India, China, and Japan, while the east coast borders that of vessels trading between China, Japan and Australia.



Commandant and Staff of the British North Borneo Military Police.



Ambong.



Government Offices, Sandakan.



Wood Cutters and Piles for the Railway Bridges



Ploughing In Putatan



Messrs. W. C. COWIE and A. COOK, the SULTAN OF SULU and Suite

(b.)—HARBOURS.

The coast line of the territory contains numerous harbours and bays, the principal of which are Brunei and Gaya Bays on the West Coast, Marudu Bay on the North, and Sandakan, Darvel Bay and Cowie Harbour on the East Coast. These, besides affording absolute shelter for trading vessels, are eminently suitable for strategical purposes.

The depth of water in all these harbours is sufficient for the largest vessel trading to the East through the Suez Canal; and in all, with one exception, sufficient for the largest vessel afloat.

The attention of H.M. Government has frequently been called to these harbours, and there is some reason to hope that at least one of them will, in the near future, be utilized for a coaling station and naval base.

A detailed description of the coast-line of the territory is not required here, as those interested in such information can find full details in "The China Sea Directory," vol. ii., and in the Admiralty charts.

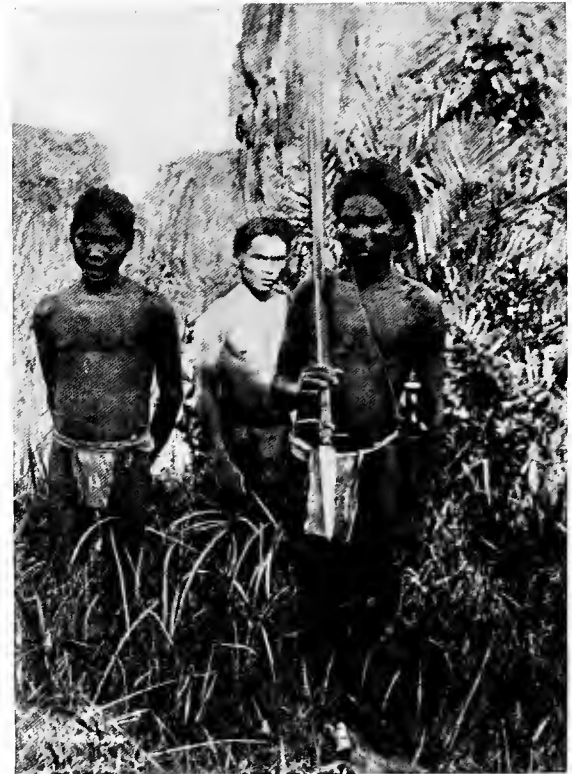


Group of Natives.

(c).—MOUNTAINS AND RIVERS.

The courses of the mountain ranges have not yet been laid down with any attempt at accuracy in the published maps.

It may be stated generally that there is a back-bone range, which, commencing in the great mountain of Kinabalu (13,700 feet), 52 miles from the northern extremity of the island, runs in a south-westerly direction throughout the territory. The range is much nearer to the west than to the east coast, with the result that the rivers on the west are inferior in length to those on the east side, though the scenery is grander and the coast more indented with bays and inlets. Kinabalu itself rises within some 25 miles of the west coast and this may be taken to be the average breadth of the coast



Natives of the Interior.

between the back-bone range and the sea. From this range, which has a height of from 5,000 to 13,700 feet, many ridges are given off at right angles and these in many cases are connected by cross ridges running north and south. These ridges, as a rule, rise abruptly from the plains, and are mostly covered with forest.

In addition to this range, and between it and the sea on the west, is what is known as the Coast range, running parallel to it from somewhat to the north of Gaya to the southward, and with a height of between 3,000 and 4,000 feet.

Borneo differs from all the other large islands of what Wallace terms *Australasia* in not possessing a single volcano, either active or extinct.

The summit of Kinabalu is said to consist of syenitic granite, here and there crossed by belts of a white rock; below the granite is a hard kind of shale and greenstone.



Village near Sandakan.

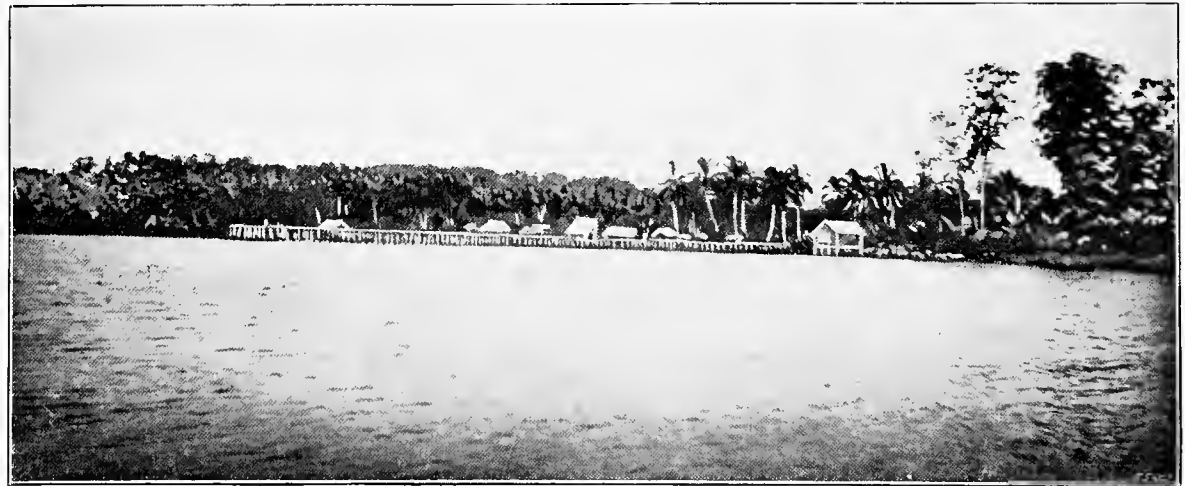
About 50 miles to the S.E. is an independent group of mountains, of which the highest is Mentapok, said to be 8,000 feet.

In the upper course of the Labuk, which flows to the south of Mentapok, the banks on both sides are very steep, the hills rising from 200 to 500 feet.

About the centre of the Darvel Bay Peninsula is Mount Hatton, so named in honour



Sapong, near interior Terminus of Railway.

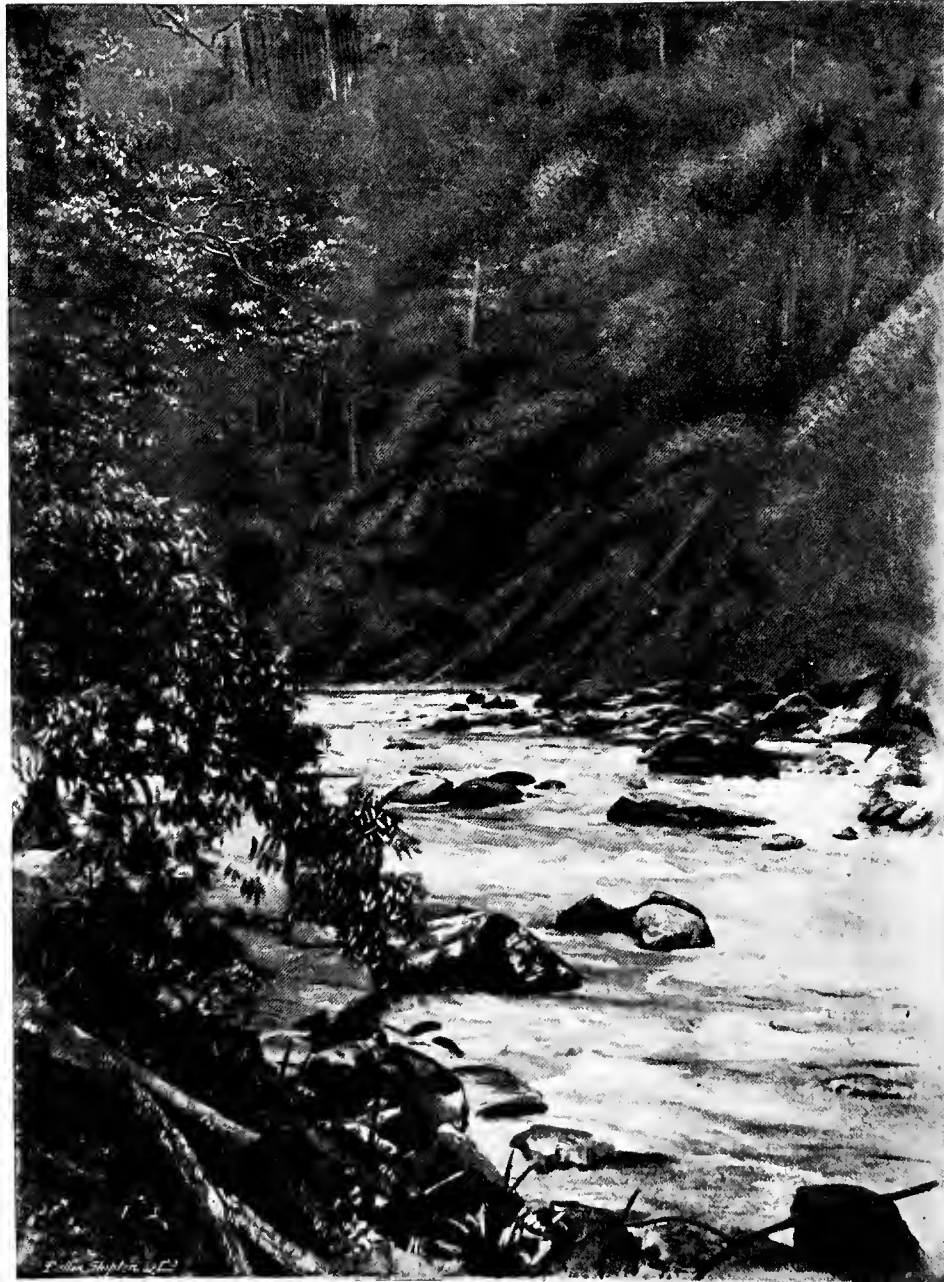


Weston present Sea Terminus of the Railway

of Frank Hatton, the Company's first Scientific Explorer, who lost his life by an accident on the Segama River. Its height is marked on the Admiralty chart as 1,990 feet. To the south of this is the Bagahac range, the highest summit being 2,750 feet.

At the back of the Government station of Silam is the hill known as Bode Silam, 3,000 feet in height. Between Silam and the Sibuku River are several lofty peaks not yet examined.

RIVERS.—The principal rivers are, on the east coast, the Kina Batangan, Labuk, Sugut, Paitan, Segama, Benguya, Kumpong, Sigaliud, Kalaba, and others; on the north the Bengkoka, Bongan, &c.; on the west coast the Padas,



Kalias, Membakut, Kimanis, Papar, Kinarut, Putatan, Inanam, Menggatal, Mengkabong, Tawaran, Suliman, Tampasuk, and others.

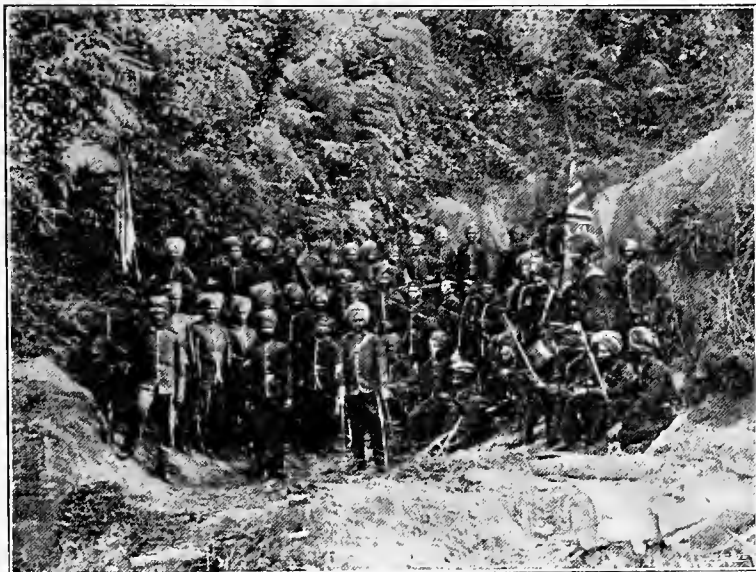
Of the above the Kina Batangan is navigable for steam launches for over 200 miles, while its tributaries the Lokan, Quarmote, Karamok, Mengkowago and others are themselves fine rivers. Some days' journey up the Quarmote above its junction with the Kina Batangan are the Alexandra Falls. There is a channel behind the mangroves from Sandakan Bay to the Kina Batangan. The Segama River, owing to its enormous deposits of gravel-bearing gold, will no doubt become the most important of all rivers in the territory. It is about 400 miles in length and is navigable for vessels drawing two

feet of water for 200 miles. The Labuk is not navigable for steam launches for any great distance; its chief tributaries are the Galagaan, Toongud, Arngsoan and others; it falls into the sea in the Labuk Bay a little to the north of Sandakan, to which place all its trade goes; all the above - mentioned rivers are capable of supporting a very large population.

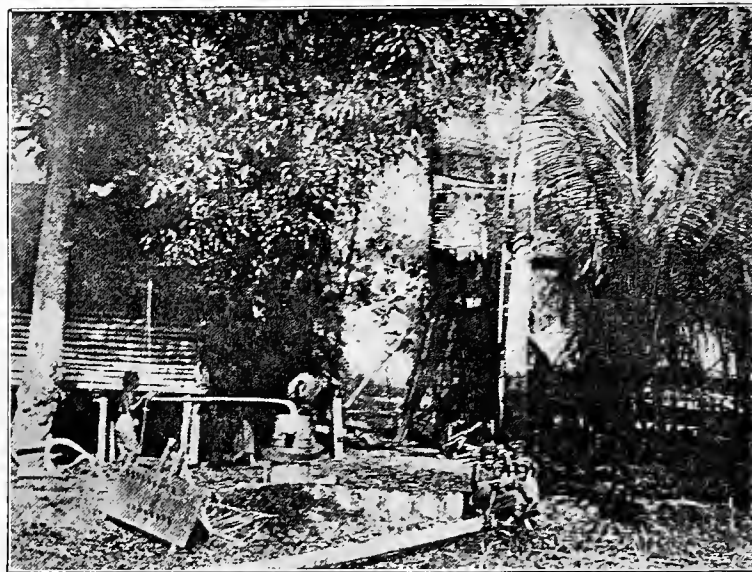
The Padas is a very fine river, having on its banks many sago plantations which are a source of considerable wealth to the inhabitants of the district.



Review of British North Borneo Military Police In honour of Her Majesty's Diamond Jubilee, June 22nd 1897.



A Detachment of the Company's Military Sikh Police.



Cocoa Nut Plantation.



Batu-Batu



View in Kudat, originally the Company's seat or Government



View in rear of Sandakan.



A Native Kampong, Segalind River.

GOVERNMENT STATIONS AND SETTLEMENTS.

The Government Stations in the territory, administered by Europeans, are as follows:—Labuan, Mempakol, Putatan, Gantian (Gaya Bay), Ambong, Kudat, Sugut, Sandakan (present capital), Lahad Datu (Darvel Bay), and Tawao (Cowie Harbour).

The above include all the principal trading centres round the coast.

In the interior there are Penungah, Kaningow, Tenom, Beaufort, and Bukau.

POPULATION.

The entire population of the Company's territory is estimated at about 200,000 inhabitants, including about 20,000 Chinese. Of this population about 150,000 are distributed throughout the West Coast Districts.

The population of Sandakan, the capital of the country, is about 6,000 to 7,000.



Musa Textilis or Manila Hemp Plant
(Grows wild along the railway route and along the West Coast.)



Native Woman.



Section of Railway.

CLIMATE, &c.

The most noticeable feature of the climate of British North Borneo is its equability and the absence of extremes. The temperature, rainfall, winds, natural phenomena generally, and the diseases, are, for a tropical country, of the most mild and temperate types.

The temperature at sea level is never found to be disagreeably hot, the thermometer generally averaging 70° to 72° (fahrenheit) in the mornings and 82° to 85° soon after noon. It occasionally rises to 93° or 94° , but even then the heat is not oppressive.

During the night a covering of flannel or some woollen material is generally found acceptable.



Bukau, on the Railway.



Coffee Trees.

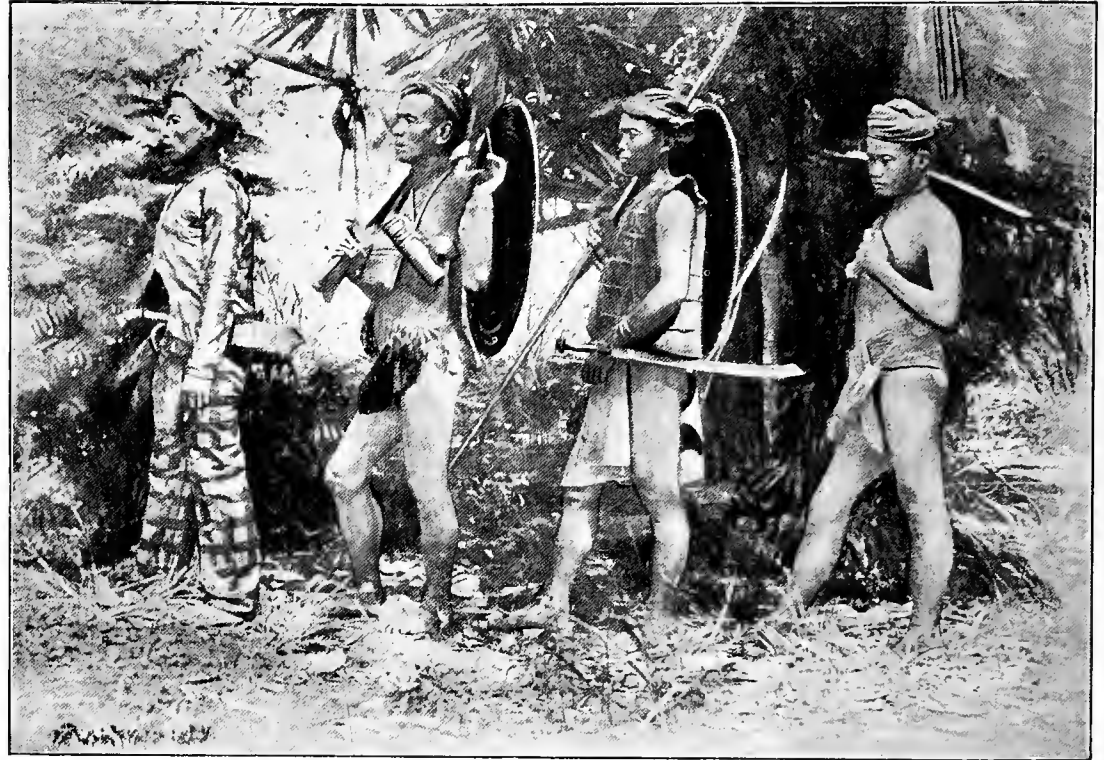
In the interior, the country being mountainous, the temperature at night falls as low as 50° , and the summit of Kinabalu is just below perpetual freezing point.

The true wet season occurs in the north-east monsoon, and includes the months of November, December and January, and generally part of either October or February, or both. During this wet season the greater part of the rain falls as general rain from a uniform dull grey sky, and is pretty equally distributed between day and night.

The true dry season immediately follows this true wet season, and includes March and April, and sometimes the whole of May and part of February. During this time there are occasional showers during the night and early morning. Scarcely a month passes without any rain; and even in 1885, when there was an exceptionally severe drought both in North Borneo and the Straits, there was rain on six days in March and on ten in April. During these two months, in spite of the most severe drought yet experienced, there was a fall of 1'35 inches.



Scene on the Railway—Padas River.

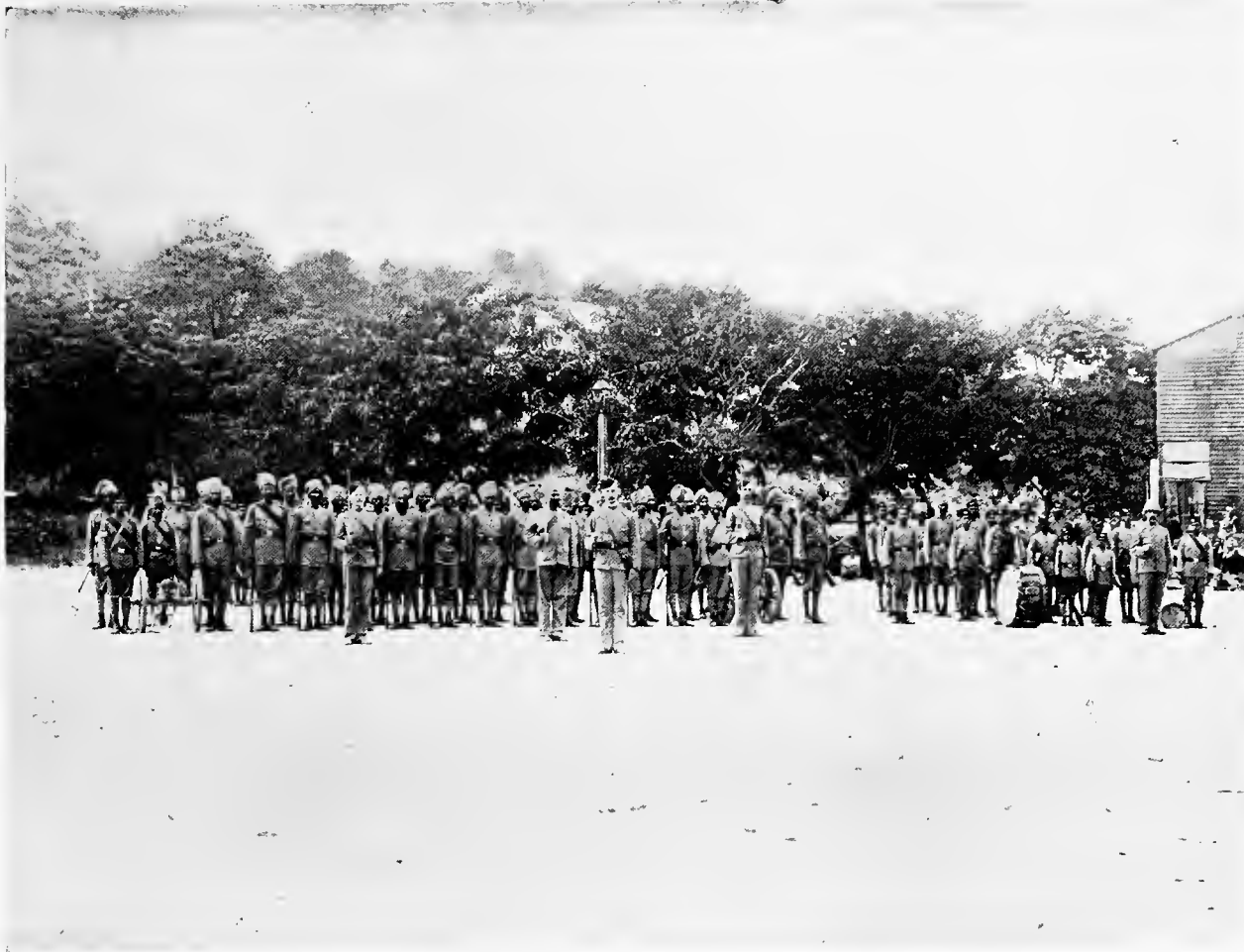


Natives of the Interior.

This true dry season is followed by a period of moderate rainfall, commencing generally about June. The first month or six weeks of this period almost deserves to be called a second wet season, and the rest of the period, up to the commencement of the true wet season, might be described as the second dry season.

The water-supply of the country is so intimately connected with the rainfall that a few lines may appropriately be given to it here. The rain does not collect in lakes or pools, but quickly disappears, either carried off by the free surface drainage of the country, or absorbed by the porous soil. Thus the supply of fresh water must be got from streams, springs, wells, or artificial reservoirs. As the soil is generally absorbent, and retains the moisture, there will probably be little difficulty in this matter, either in the interior, or in such places as Sandakan, Silam, or Gaya, where there are hills near the coast.

The general impression as to the salubrity of the climate is that it compares most favourably with other tropical climates, such as that of the Straits, &c.



British North Borneo Military Police Contingent.

The enormous quantity of virgin forest in the country affords an unlimited supply of the best woods for every purpose. Those interested in the timber trade can obtain full information on applying at the offices of the Company, where samples of many woods may be seen.

TRADE RETURNS.

	1893.	1894.	1895.	1896.	1897.
IMPORTS - - - -	\$1,116,714	\$1,329,066	\$1,663,906	\$1,882,188	\$1,887,498
EXPORTS - - - -	1,780,593	1,698,543	2,130,600	2,473,753	2,942,293

TRADE PRODUCTS.

The island of Borneo and the surrounding seas are exceptionally rich in natural products, which include the following :—

Attaps	Pearls
Beeswax	Pepper
Birdsnests	Rice and
Blachan	Paddy
Camphor	Rattans
Coal	Sago Flour
Cocoanuts	Sago
Copra	Sea Slug
Coffee	Seed Pearls
Cotton	Sisik
Cutch	Tenggiling
Damar	Sharks Fins
Fish	Shells,
Gambier	mixed
Gold	Sugar
GuttaPercha	Timber
India	Tobacco
Rubber	Trepang
Ivory	Tortoise
Iron Ore	Shell
Opium	



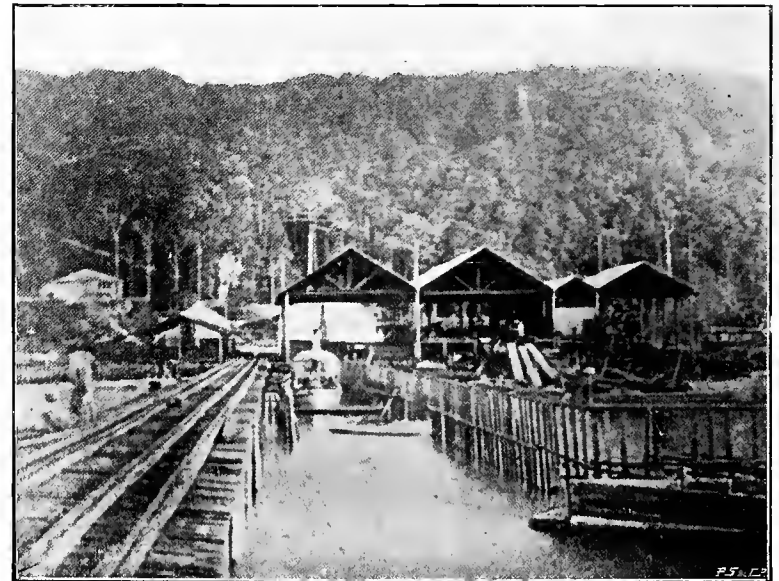
Tobacco Plantation—Darvel Bay.



Forest scene on the Railway (stock of Sleepers on either side).



View on the Railway



Saw Mill, Sandakan the property of the North Borneo Trading Company.



On the Route of Railway, Natives bringing down Jungle Produce.



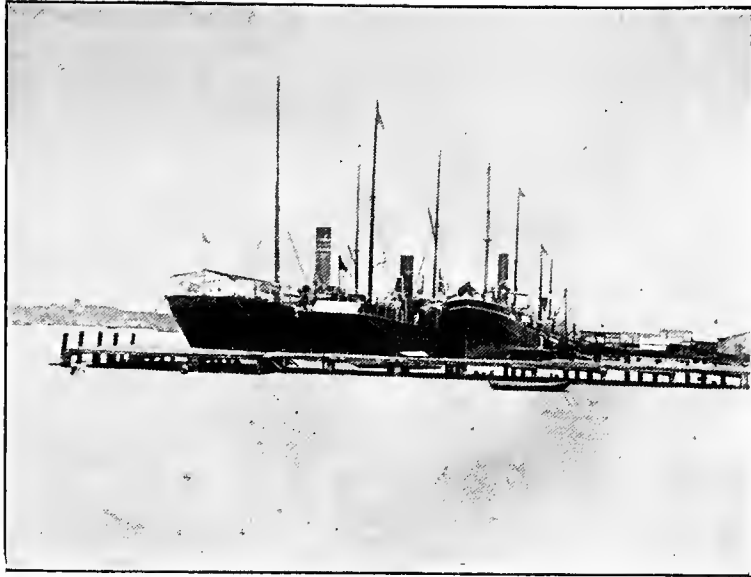
Road in front of Government Offices Labuan

The following Table will show the value of each product exported in 1897. The development of the Country by the construction of Railways, and the opening up of roads, will enormously increase the export of Jungle produce, while it only requires further capital to increase the exports of Tobacco and other cultivated products to an unlimited extent.

EXPORTS, 1897.

	\$	c.		\$	c.
Attaps ...	1,068	23	Old Jars ...	1,401	00
Beeswax... ..	5,971	38	Opium... ..	1,089	00
Birdsnests ...	57,141	40	Pepper... ..	895	00
Blachan	613	00	Rice and Paddy	16,726	30
Camphor	30,913	97	Rattans	127,332	59
Cocoanuts	1,471	50	Sago Flour	121,765	02
Copra	2,145	00	Sago	23,995	78
Coffee	29,278	67	Seed Pearls... ..	11,877	00
Cotton	1,264	90	Sisik Tenggiling	2,143	81
Cutch	232,460	00	Sharks Fins... ..	5,601	86
Damar	18,521	10	Shells, Mixed .	4,734	59
Dry Fish	7,219	09	Sugar	656	35
Gambier... ..	5,152	60	Sundries	109,394	09
Gutta-Percha... ..	93,639	85	Timber... ..	117,916	22
Hides and Mats	5,460	91	Tobacco	1,686,173	30
Horns	1,891	75	Treasure	120,510	64
India Rubber... ..	49,513	86	Trepang	21,442	88
Ivory	1,477	00	Tortoise Shell	11,858	80
Live Stock	11,664	85			
			TOTAL ... *	\$2,942,293	29

* This does not include Labuan, the Exports of which Island amounted to \$653,688.

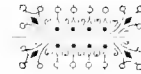


Ships Coaling in Labuan Harbour.

MINERALS.

The Minerals of North Borneo, known to exist over large areas, are Coal, Iron, Gold and Mineral Oils. At Labuan the output of coal was about 50,000 tons for the year 1897. The Sandakan Bay Coalfields Syndicate, with a capital of £20,000, recently sent out an expert to examine the Coalfields on the East Coast. He has found a superior kind of coal both at Sugut and Sandakan, and is so satisfied with his discoveries that he has advised his Syndicate to commence boring operations forthwith.

Workable seams have also been discovered in the vicinity of the railway now in course of construction. Coal is also known to exist in the Benkoka River and Cowie Harbour, which places will shortly be examined by the Syndicate's expert. Royalty on the export of all coal is paid to the Chartered Company.

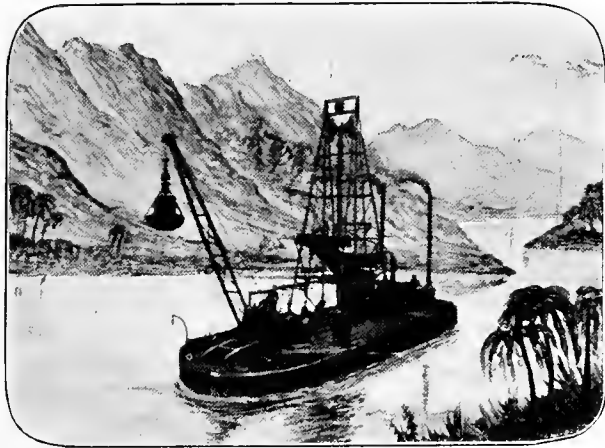


The Labuan and Borneo Company's Railway.

G O L D.

In 1812, a Mr. Hunt reported to Sir Stamford Raffles—the founder of Singapore—the existence of a rich gold-field at Madai, in Darvel Bay. In 1872 or 1873 Mr. W. C. Cowie purchased gold from the natives in that district. In 1885 the gold-field mentioned by Mr. Hunt was re-discovered by Mr. H. Walker, the late Captain Beeston and other officers of the Company. This year the dredger—of which an illustration is given, showing it at work in the Segama River—is making the first practical attempt to work the gold deposits in British North Borneo, and if it is successful, several other dredgers will be sent out. Gold has been proved to exist in payable quantities over a large area of the territory, and samples of it can be seen at 15, Leadenhall Street. The last sample which arrived is a very interesting one, and experts who have seen it say that it indicates something very rich.

Mr. René Proust, the expert Engineer in charge of the dredging operations, who has had great experience of dredging on the Molyneux River, in New Zealand, writes under date 19th November, 1898, as follows:—



The Gold Dredger—now on the Segama River



This Photograph of the Dredger was taken 200 miles up the Segama River.

“ I believe the gold is a solid paying venture. It may not turn out a “ Klondyke, but as to paying a legitimate interest, I think the question “ is settled.”

“ The gravel deposits are simply enormous. As you will see by my “ diary, the old river wash does not stick to the river bed ; it is sometimes “ a mile back in the jungle, but this latter is very open, with small timber, “ and not really difficult to work.”

A telegram is daily expected, giving the result of the first “ clean-up.”

The terms under which the concession to dredge for gold in the Segama River was granted to the British North Borneo Gold Syndicate, include the payment to the Chartered Company of one-fifth of the net profits obtained from dredging operations, and one-fourth of those from reef-mining. If, therefore, Mr. René Proust's forecasts be realized, there will be at once a very large addition to the Chartered Company's

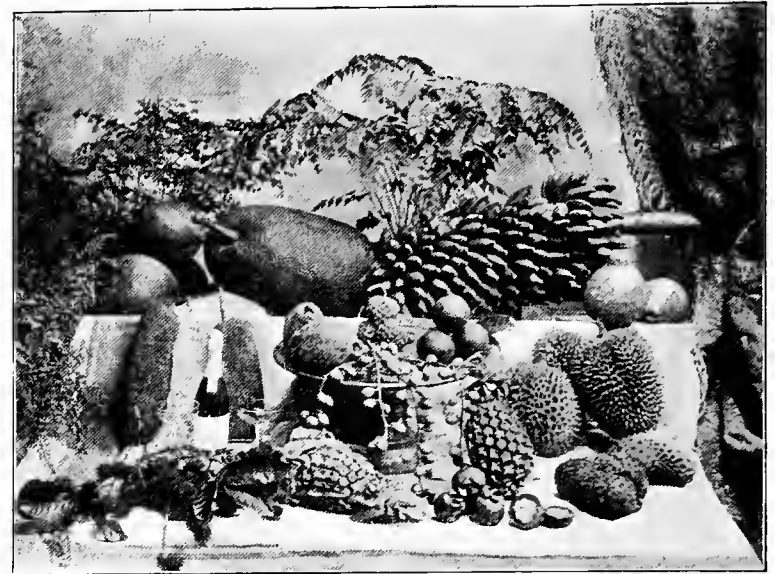
revenue ; and inasmuch as a successful result of the venture must necessarily conduce to the multiplication of dredging operations, it is obvious that enormous profits will accrue to the Chartered Company.

AGRICULTURE.

NATIVE AGRICULTURE.—Maize, paddy, bananas, sweet potatoes, &c. The system of cultivation carried on by the natives is only capable of being conducted in a wonderfully fertile country. A piece of ground is selected, usually one that has undergone the same treatment a few years previously, the felling and clearing is conducted in the usual manner, after which Indian corn and paddy are planted simultaneously. Ploughs and hoes are quite unknown (except in some of the more thickly populated districts on the west coast), and not a clod is turned over ; the mode of operation is for a man and a woman to walk one behind the other, the man in front, dibbling a hole with a sharpened stick, into which the woman drops one or two seeds, and then scratches a little earth over the hole with her toes. In this manner a large field is very soon planted up with two crops.



Sago Plantation near the Railway Route.—Nearly 9,000 tons Sago were exported in 1898



Fruit of the Country.

These operations occupy a term of two years or so, during which time crops of one sort or another are following each other in quick succession, and without intermission. Paddy is stored up, but nothing else ; and from year's end to year's end, whatever else the natives require in the way of fruit or vegetables for the day's consumption, they go to the fields and fetch. When moving to a place at some little distance, operations are begun again while the old potato fields are still yielding fairly well, and they draw their supplies of food from the old place, while the paddy is ripening at the new one.

EUROPEAN AGRICULTURE. — Tobacco, sugar, pepper, gambier, Manila hemp (which grows wild in the interior and on the west coast), cocoa, cocoa-nuts, the betel or arca nut-palm, coffee, kapok or cotton flock, cotton, india-rubber, sago (of which about 9,000 tons were exported in 1898), tapioca, cinnamon (which grows wild), nutmegs, citronella grass, indigo, ginger, oranges, pomeloes, limes, lemons, &c., &c., &c. Of these products, tobacco is the principal. The rise of this



Road to the Segama River from Darve Bay, the property of the New Darvel Bay (Tobacco) Plantations who have now laid 9 miles of rails on it.

The following Extract from *The Licensed Victuallers' Referee*, of January, 1899, will give some idea of the progress of Tobacco cultivation in British North Borneo :

“ Ten years ago Borneo was a mass of dense jungle ; to-day Borneo stands in the front of tobacco producing countries. Its rate of progress exceeds even that of its rival Sumatra, which is supposed to have accomplished great things in its time. In 1887 the tobacco crop of Borneo realised £400 sterling ; in 1897 the crop realised over £165,000. This year it is vastly more. The total value of tobacco exported from Sumatra during the first seven years of the cultivation was 1,764,000 guilders ; the first seven years of the Borneo cultivation realised 4,514,000 guilders. One year's Sumatra crop is to-day worth upwards of £3,000,000 sterling, and that is after thirty years cultivation. What will be the value of a Borneo crop twenty years hence it were the purest conjecture to say ; but if one may draw inferences from comparisons and certain ascertained factors, it seems not unreasonable to believe that Borneo may even surpass the hitherto unrivalled record of Sumatra.

“ Anyone who has studied the maps of the two countries cannot have failed to observe what a small area is covered by the Deli and Langkat districts, where the choicest Sumatra tobacco is produced. Repeated efforts have been made to grow tobacco outside these favoured districts, but the results have ever been disappointing, not to say disastrous. On the other hand, the very choicest tobacco seems to be obtainable in all the four quarters of the vast territory administered by the British North Borneo Company. Marudu Bay in the north, Brunei Bay in the west, and Darvel Bay in the east, are districts separated from each other by some hundreds of miles, yet each is capable of yielding tobacco which can be classed with some of the

finest the world produces. Thus it would appear that Borneo possesses a wider field for the cultivation of tobacco ; and it may confidently be anticipated that for years and years to come the country may go on vastly increasing the output without exhausting the soil to the extent that has occurred both in Sumatra and Havana. It is impossible to over estimate the advantages which Borneo derives from this practically illimitable supply of suitable tobacco lands.

“ The fact that Borneo is the only portion of the wide British Empire which produces tobacco capable of being made into cigars without being blended with the wares of other countries ought not to militate against it from the point of view of the British smoker. Borneo tobacco, unlike Sumatra, possesses a flavour and aroma of its own, which is found nowhere else outside Cuba. Being equally adapted for filler, binder and wrapper, being grown in a British colony, with British capital, and manufactured with British labour, we now have, for the first time in the world's history, a cigar which is British in all its details. That such a cigar is appreciated by smokers is evidenced by the rapidly augmented demand, to meet which vast and increasing employment is given to capital and labour, both in London and the far east.

“ Like all other new countries, it has cost Borneo some severe struggles to arrive at its present position. The initial difficulties of climate and labour are now thoroughly overcome, though they cost the pioneers of the country many precious lives and much treasure. That same Borneo to which but a few years ago labourers, both European and Chinese, only went reluctantly and of necessity, is now the coveted resort of all races. Inundations, which spread such havoc and caused such ruin to the pioneers, are now avoided, science and experience teaching those who are to-day responsible for the cultivation of the soil, how, when and where to avoid these scourges.

“ With the disappearance of the temporary drawbacks enumerated, Borneo's inherent natural advantages should enable it in a very brief space of time to out-distance all its rivals.”

BORNEO TOBACCO CROPS.

CROP.	BALES.	STERLING.	CROP.	BALES.	STERLING.
1886	27	£471	1893	7,600	£152,000
1887	311	4,583	1894	9,794	122,500
1888	1,192	18,416	1895	10,374	136,000
1889	3,879	40,166	1896	13,992	159,166
1890	9,327	79,666	1897	10,469	*168,600
1891	12,255	100,000	1898	.. (estimated)	200,000
1892	8,775	133,333			

Extract from a speech made by Mr. SINAUER, Chairman of The New Darvel Bay, Borneo, Tobacco Company, at the North Borneo Dinner, on the 29th November, 1898 :

“ You have heard the Chairman state that one Company—I need not blush to state that it is the one I am interested in—has made a net profit of £23,000 on last year's crop on an outlay of £20,000. This year we have not been quite so fortunate, as the tobacco has not turned out to be quite so good in quality, although the same quantity has been produced. In tobacco quality is an important factor, inasmuch as the moment the quality is superior prices advance. With regard to next year, the reports we have received are of so wonderful a character that, if the tobacco is as good as last year and we were to realise the same price, the profit on the year's transaction, although we only planted the same number of fields, would be something like £35,000. Now, you can easily imagine what are the possibilities in a country that can produce tobacco of such good quality and such an immense yield. To those of an enterprising spirit on the look out for any great future, I would say that they should engage themselves in tobacco planting in that country. We do not fear competition ; on the contrary, we should only be too pleased to see Borneo standing at the head of the tobacco-producing countries, especially as it is really an English colony. (Cheers.)”

* This result was obtained from less than 3,000 acres of land.

FORM OF GOVERNMENT, &c.

The Government of the Colony, which is vested in the Court of Directors appointed under Royal Charter, is administered by a Governor with the assistance of a Colonial Secretary, under whom are three Residents of Districts several Assistant Residents, as well as Treasury, Land and Survey Public Works, Harbour Medical, Judicial, and Constabulary Departments. The Judicial Department includes the Governor, who is the chief judicial officer of the Supreme Court and High Court of Appeal; the Residents, who are Judges of Sessions and Appeal Courts and Magistrates of Districts, as well as several other Magistrates and Small Cause Judges and Justices of the Peace.

The Indian Penal Code has been adopted almost in its entirety, as well as the Indian Civil Procedure and Evidence Acts. Several other pro-

clamations are based upon Acts current in Fiji. The Land Regulations are framed on a most liberal basis. The North Borneo Government respects the rights and customs of the natives. Means have been taken to put an end to slavery, which is rapidly dying out. There is a Legislative Council which includes the higher officers of the Government.

The Government looks to the native chiefs and headmen to maintain order within their districts, and so effectively is this done that few true aboriginals of Borneo ever appear in any capacity before European magistrates. The police force numbers about 470 men, under a Captain Commandant; a large proportion of these men are Sikhs, the rest are Pathans, Brunei Malays, Dyaks, &c.

As regards the feelings of the natives towards the Government, experience shows that as soon as it gets into direct contact with them, they are most friendly disposed towards it, and welcome a mode of Government which relieves them from oppression and irregular taxation.



Government Offices Sandakan



The late Sir RUTHERFORD ALCOCK, K.C.B., D.C.L.,
Chairman of the Court of Directors from the formation of the
Company in May, 1882, till July, 1891.

REVENUE.

The sources from which the revenue is drawn consist chiefly of licences for purchasing and retailing opium for smoking, for the sale of spirits, and other excisable articles, all of which are let out to private individuals; from 5 to 10 per cent. duty on imports and the same amount as royalty on jungle produce exported; a poll tax, an old-established source of revenue among the natives, in lieu of land taxes, and a stamp duty. The land

revenue comprises the proceeds of sales of Government lands, quit rents, and fees on transfers. There are, in addition, judicial fees and post and revenue stamps; these, and a few miscellaneous items, make up the remaining sources of revenue.

CURRENCY AND BANKING.

The Company has a copper coinage of $\frac{1}{2}$ and 1-cent pieces and it issues notes expressed in dollars



View In Sandakan Bay.



Admiral of the Fleet,
The Hon. Sir HENRY KEPPEL, G.C.B., D.C.L.
A Member of the Court of Directors since the formation
of the Company.

and cents. Mexican, Straits Settlements, Hong Kong, and British dollars are treated as currency. There are agencies in Sandakan of the Chartered Bank of India, Australia, and China, and the National Bank of China, and the Company itself does Banking business when required.

The Colony is in the Postal Union, and Money Orders on North Borneo are issued in England, India, the Straits Settlements, Ceylon, Hong Kong, and elsewhere, and *vice versa*.

SPORT, NATURAL HISTORY, &c.

The difficulty of obtaining good big game shooting anywhere over the whole world is always increasing. The shooting ground is always receding ; bison in America may be regarded as extinct ; the difficulty and expense of obtaining a good bag in India is yearly growing greater, while Africa has almost ceased to be a large game-shooting country at all, except to a select few ; so that the finding of an extensive district in North Borneo well stocked with big game is quite a boon to the sportsman.

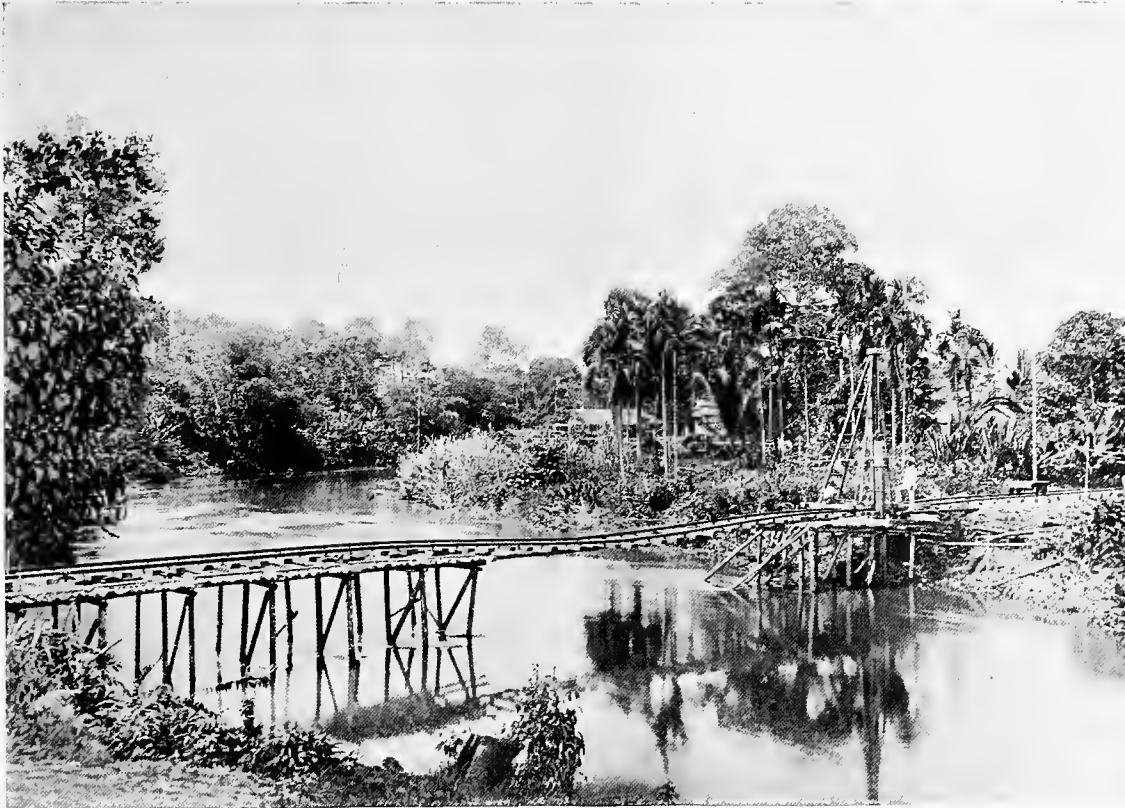
The large animals, viz., elephant, rhinoceros, buffalo, deer, pig, and bear (these are protected by Game laws), are, with the exception of the last named, usually found in large herds, while orang-outangs and several varieties of monkeys occupy the forest in very large numbers.

In addition to the above, there is a host of smaller animals, of more interest to the naturalist than the sportsman. There are civet cats, musangs, binturongs, otters, armadilloes, porcupines, squirrels (ordinary and flying ones), insectivora, some of them handsome animals like large squirrels (the best known, the gymnura, like a large white rat with a pig's snout, taints the whole neighbourhood with its strong rancid smell) ; the curious gymniopethecus ; bats of many kinds, including the large fruit-eating so called flying fox ; the telledu or mydaus, which in Java and Sumatra is never found at a less elevation than five thousand feet, is here found at sea-level ; the slow loris, and many others.

The crocodile is undoubtedly the most ferocious of the wild creatures, and attacks by it are by no means uncommon.



Padas River, where the Railway will cross.



Temporary Railway Bridge over the Bukau River.

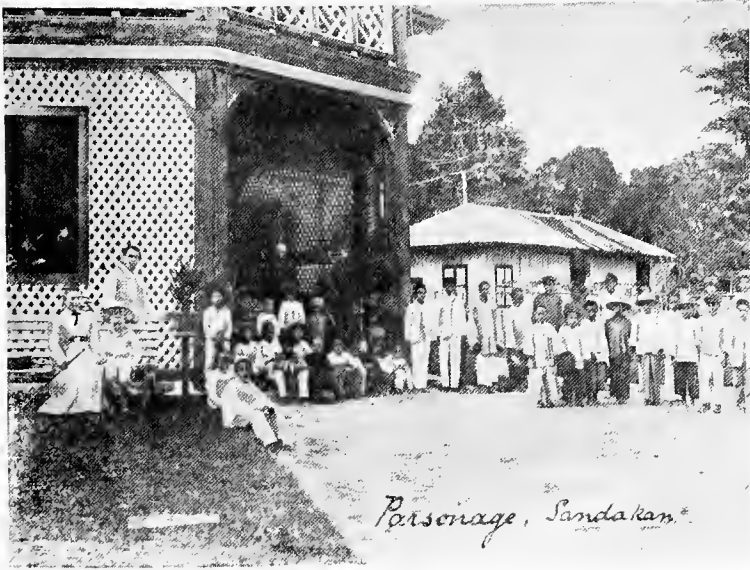


Sago Plantation and Telegraph Line near the Railway.

Snakes are not very numerous, and poisonous ones form a very small percentage of those which are seen. Monitor lizards are sometimes seen near chicken houses, but though somewhat formidable-looking, are quite harmless.

Argus pheasants and fireback pheasants are not uncommon in the forest, but never rise. Pigeons, culew, &c., are plentiful.

Fishing offers a large field for future development, fish of all kinds being most abundant. It is customary when travelling in a steam launch to let out a strong line astern, the last 40 feet or so being stout brass wire terminating in a strong large hook ; the only bait is a piece of white rag ; a hitch is taken in the inboard part of the line and tied with string, with a bell attached ; when a fish takes the hook, the jerk breaks the string and rings the bell ; there is an immediate rush of everybody near, and it usually takes three men, if not more, to haul in the prize, usually an ikan tingirri, a fine large pike-like fish, which is very good eating. Dolphins and even sword-fish are sometimes caught, while it not unfrequently happens that some monster breaks the line altogether.



Parsonage Sandakan.



Government House, Labuan.



Government Cruiser "Petrel"



Fallen Tree across the Railway Cutting.



View on the Padas along which the Railway will go.

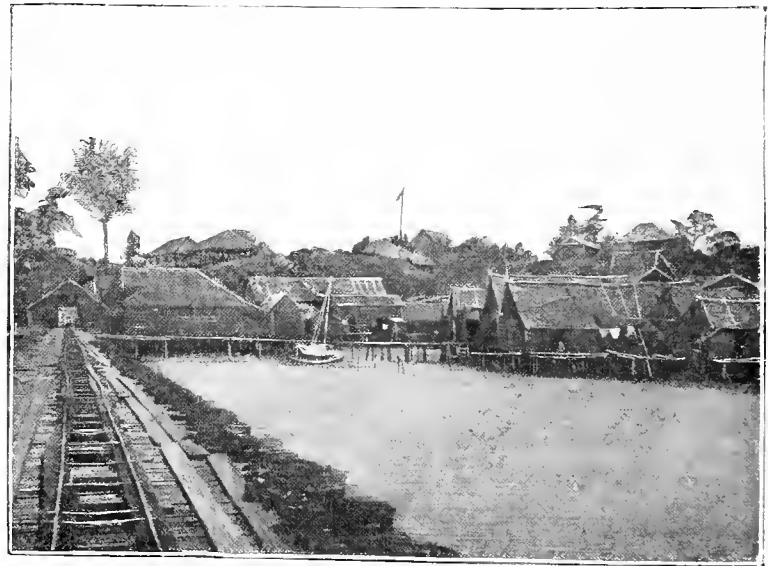
EUROPEAN LIFE.

In North Borneo neither religion nor education is neglected : there are two Missions, one Protestant and one Roman Catholic ; the former, which is supported by the Society for the Propagation of the Gospel in Foreign Parts and the Protestant Community, has a church and school at Sandakan, with branches at Kudat, Labuan, and Kaningow. These are well attended by the European residents and by Chinese Christians.

The Roman Catholic Mission has several priests and chapels throughout the country ; its head-quarters are at Sandakan. Amongst the natives, particularly the Dusuns, it has made many converts, and the schools conducted by the priests are much appreciated by all classes.

The Chinese have their joss houses and the Mahomedans their mosques ; native priests are paid by the Government, and it is their duty to attend to the marriage rites and customs as well as the religion and education of the Mahomedans.

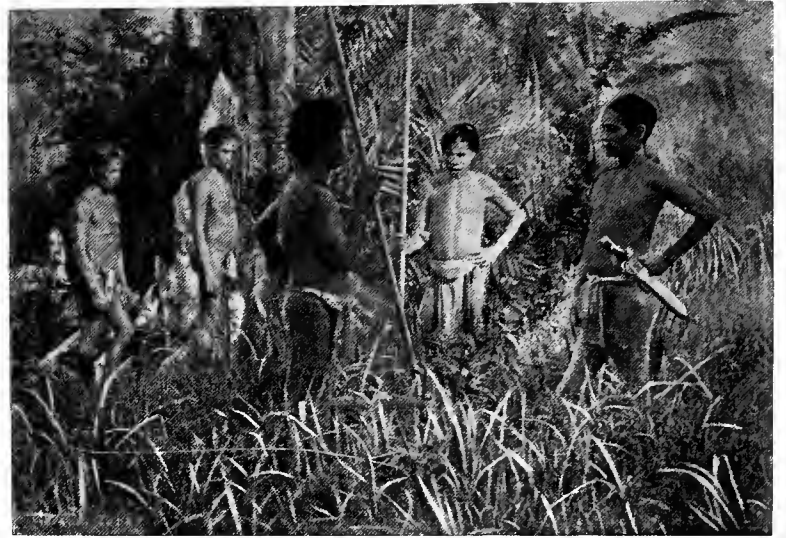
At Sandakan the club, hotel, bank and insurance agencies, European and Chinese stores, public market, hospital, Government house, offices, gaol, barracks, saw mills, tennis grounds and the numerous neat suburban bungalows around, bespeak civilization, confidence and progress. Kudat has also its hotel or rest-house, with agencies, stores, shops, and bungalows, which supply all the wants of the mixed community. With regard to fresh provisions, beef can be had twice or thrice a week, and mutton is procurable by steamers from Hong Kong ; of pork there is a plentiful daily supply. The seas abound with fish of great variety and excellent quality, and there is always a plentiful and cheap supply at all stations. Fowls are, however, the chief article of food and large numbers are imported. Natives and Chinese are beginning to pay attention to rearing them : ducks and geese are also kept. The towns and stations are well supplied with vegetables from the numerous Chinese gardens round about. The following are some of the varieties which grow luxuriantly : Yams of various kinds, sweet potatoes, kladi (a caladium), tomatoes, bringals, radishes, Chinese



New Darvel Bay Tobacco Company's Wharf at Lahad Datu Darvel Bay.



Bukau on the Railway.



Group of Natives.



The Residency, Kudat showing Wild Cotton and other Trees.



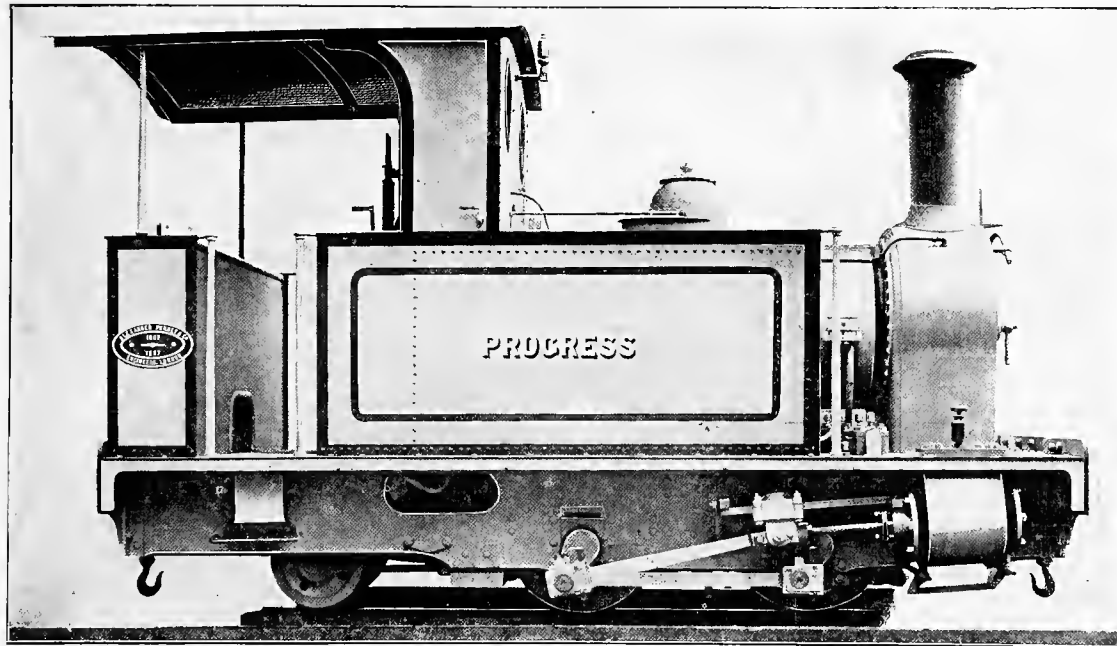
View in Kudat.

lettuces, spinach and cabbage, melons, pumpkins, vegetable marrows, chillies, &c. ; good cabbages and potatoes are imported from China and Java. These will be grown in the country when the railway reaches the hills.

No expensive or particular outfit is necessary ; white clothes, usually made of drill or duck, are worn all the year round, these can be made by Chinese tailors in North Borneo much cheaper than in England ; a few light tweed or flannel suits are necessary ; these with a few Indian gauze or fine merino under-shirts, a few pairs of canvas or brown leather shoes, a good light waterproof coat, pith helmet and an umbrella will be found sufficient.

Almost every European possesses a pony ; these are brought over from the Sulu Islands, they are good and cheap, the price being from \$20 to \$60 each. Australian horses are obtainable in Singapore, and a few have been imported. Jin-rikshaws, or chairs on wheels, are the only carriages as yet, but horse carriages will be introduced as the roads are extended and improved. Bullocks and buffaloes are used as draught animals on estates and roads.

Communication with Europe takes one month by letter. Telegrams can be sent to all parts of the world, from Labuan, Mempakol, any station on the railway, Tenom, Kaningow, Penungah, Lamag and Sandakan. As most of these stations are within 24 hours of any part of the country, telegrams can always be sent from other stations with expedition. Some six steamers trade between North Borneo and Singapore and two run to Hong Kong ; each can perform a round trip, calling at ports, in about 16 days.



First Engine on the Railway



View on the Railway.

but the distance from North Borneo to Singapore is only four days by steamer. From Australia the distance is only 1,500 miles and only a few hours out of the direct track of vessels trading between the Northern ports and China ; these vessels only want sufficient encouragement to call at Sandakan and Cowie Harbour.

Some twenty launches (two of which belong to Government) and numerous trading crafts keep up communication between the stations, estates and rivers. The river system on the East side of the country is fairly good, and forms ready-made permanent highways to and from the interior.



Railway Earthworks.



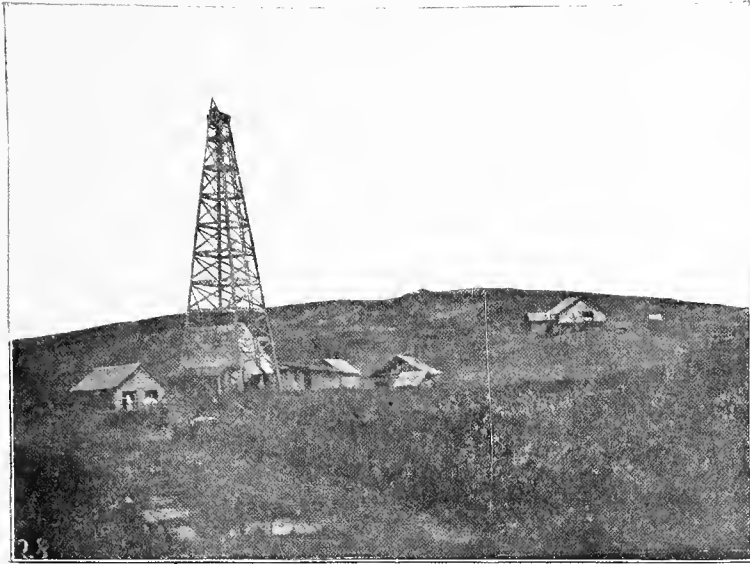
Loonghawang.—Force mustering to pursue Tali



Group of Natives showing knives used for stripping bark off the Mangrove Tree.



Natives on the Segama River



Boring for Petroleum, near Mempakol, Province Dent,
on Messrs. Wallace & Co.'s Concession.

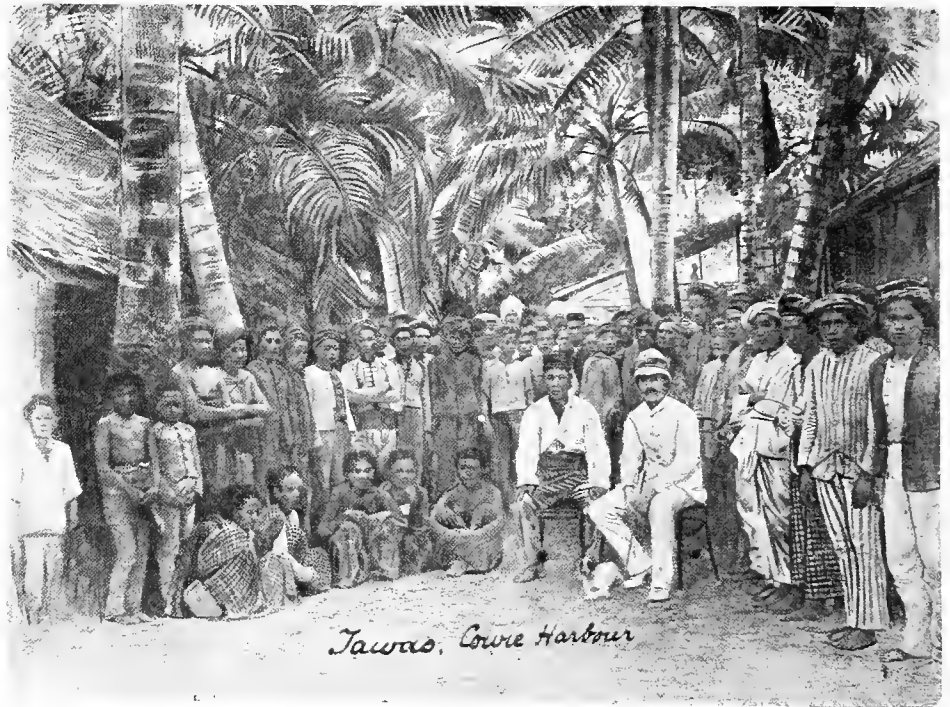
MEMORANDUM ON THE PROPOSED RAILWAY EXTENSION.

All the rivers and country between the Padas River and Gantian are comparatively thickly populated and most of the land is under cultivation. From where the present railway crosses the Padas up to Tenom (interior terminus) nearly the whole of the country is covered with magnificent timber, which alone, when worked, should constitute a paying traffic for the railway. The sago exported from the delta of the Padas is about 9,000 tons annually. To utilise this for traffic a short branch line of about 15 miles will be necessary.

At Gantian, the terminus for the proposed extension, there is a jetty being built where the largest vessels can anchor. One hundred yards from the shore there is 25 feet of water or sufficient for any vessel that can proceed through the Suez Canal. Off Gantian the anchorage is spacious and perfect. At Weston, the present Coast terminus of the railway, there is only water for vessels drawing 10 feet. According to Mr. Henry Walker, Commissioner of Lands, the population on the West Coast of British North Borneo, which would be benefited by the proposed extension would be (a) actually in touch with the railway 30,000, (b) others in the vicinity 46,000.

The following are extracts from Mr. Cowie's speech at the Company's Half-yearly Meeting 17th December, 1895:—

"The idea is to make this railway of 50 miles to Sapong, first, and



Tawao, Cowie Harbour

Mr. Barhaut and Natives



Loongbawang.—Landing Party from H.M.S. "Plover."



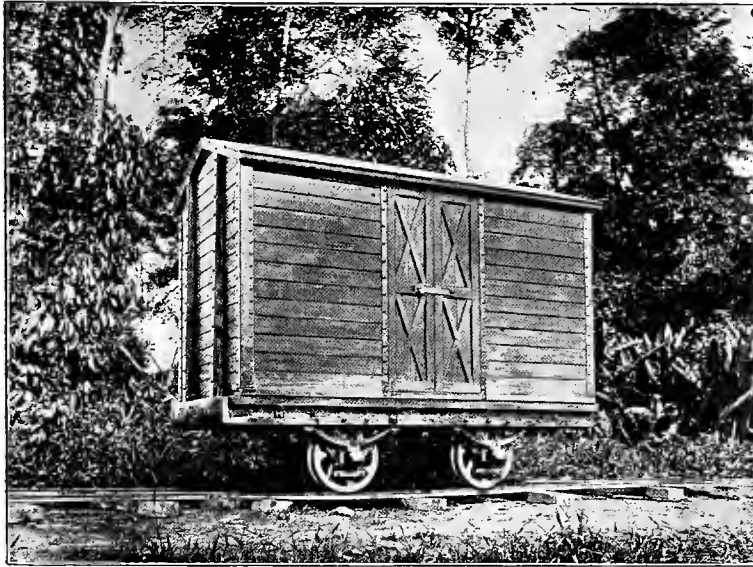
Sword presented to Mr. Cowie by Mat Salleh on his submission.



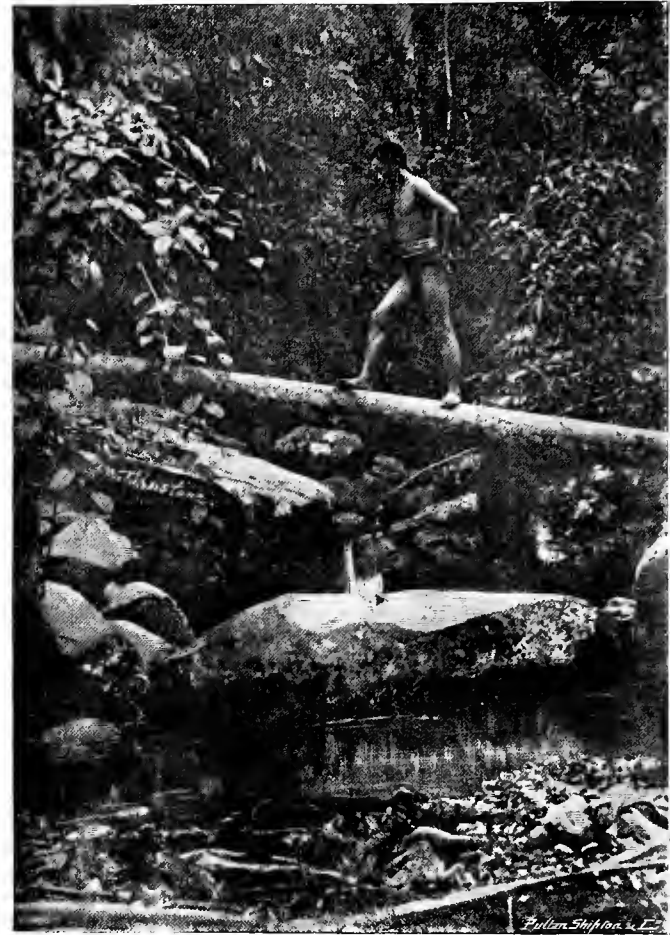
Inanam River, recently acquired Territory.



Rayoh on route of Railway.



Railway Truck made in Borneo



A Native Bridge.

“then, if it prove successful, to go right across the country; this
 “would save 500 or 600 miles of coast line, and also bring the two
 “farthest apart, and from a strategical point of view most important,
 “portions of our territory into close connection. Three companies
 “have already applied for land close to the proposed line. These are,
 “Mr. E. Dent’s Company, the Eastern Extension Telegraph Company,
 “and the New London Borneo Company, which is experimenting
 “with tobacco. The following extracts will give you some idea of
 “the district the railway will open up: Mr. Henry Walker, in the
 “*Herald* of December 1st, 1892 (page 414), says:

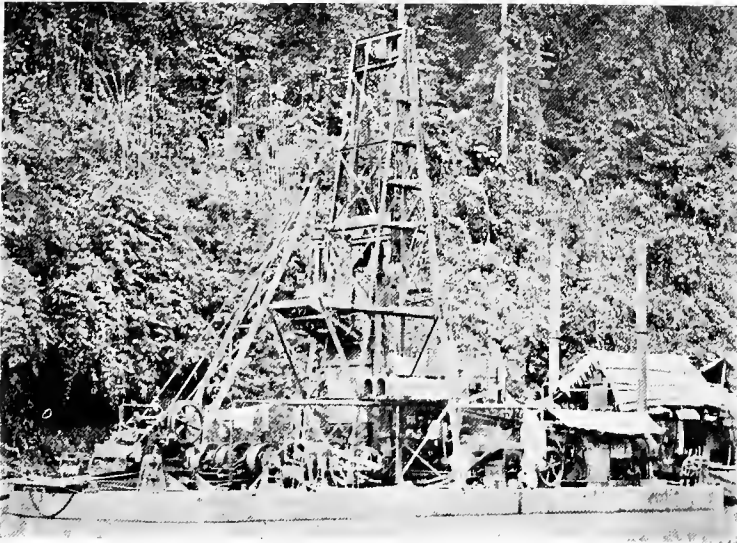
“ ‘The population in the interior that would be benefited by one good means of transport to
 “the coast is estimated at between fifty and one hundred thousand people The Sandewar and Dalit country near
 “the Penotal Gorge is fairly well populated.’ These places are situated close to where the railway will go through. Mr. Pavitt



Jubilee Clock, Sandakan.



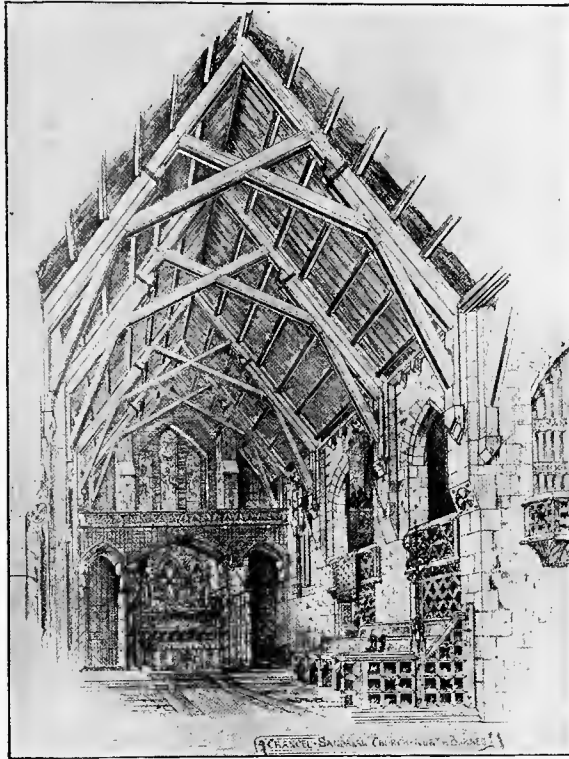
Group of Natives—Segama River.



Dredger on the Segama.

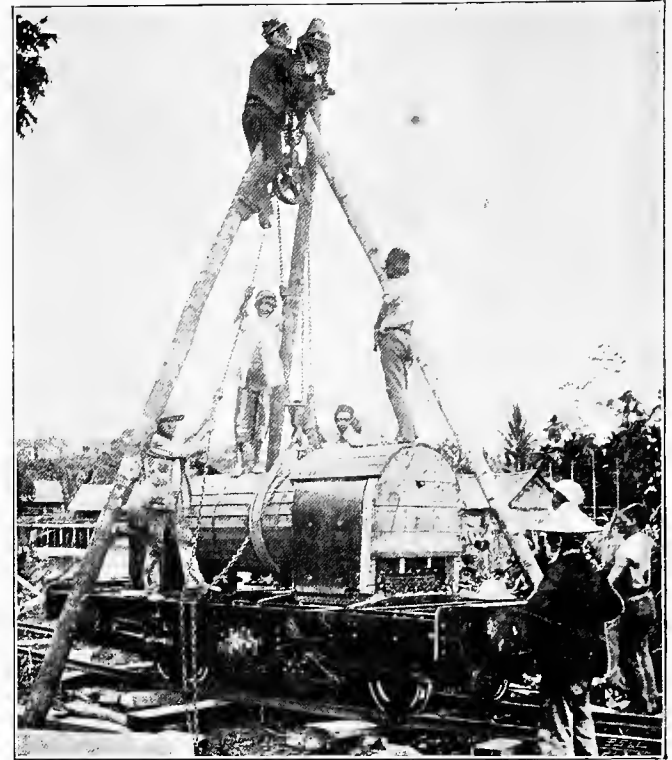


View on Segama River.



Sandakan Church.

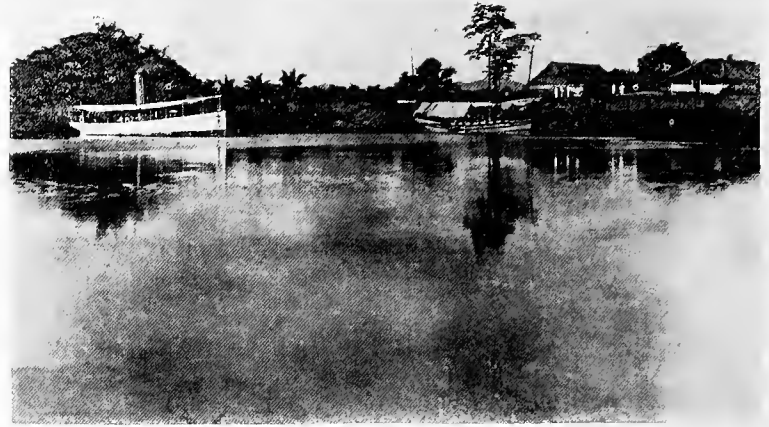
“ also reports in the *Herald*
 “ of November 1st, 1892
 “ (page 386):— ‘ I may
 “ ‘ mention that all down
 “ ‘ the Pagalan River the
 “ ‘ natives have large and
 “ ‘ good crops of paddy, and
 “ ‘ seem very contented.
 “ ‘ We had some difficulty
 “ ‘ in getting coolies,
 “ ‘ through their not liking
 “ ‘ to leave their paddy
 “ ‘ fields, where they give
 “ ‘ so much attention to
 “ ‘ their excellent system of
 “ ‘ irrigation.’ Again, in the
 “ *Herald*, January 1st, 1893
 “ (page 19), he writes: ‘ We
 “ ‘ arrived at Ranowan on
 “ ‘ November 9th, and from
 “ ‘ there followed the usual



Discharging Locomotive Engines

“ ‘ path to Limbawan, thence passing through splendid grassy plains. . . . The whole valley from Limbawan up the Pagalan,
 “ ‘ to as far as we could see, is undoubtedly the best land I have seen in Borneo, having beautiful grassy plains well watered, with low
 “ ‘ rolling downs all fit for cultivation, and not being used by the natives, could probably be leased to tobacco and other planting
 “ ‘ companies.’ . . . I will now read you a few extracts from Sir Frank Swettenham’s report, which, please remember, tells us not
 “ ‘ what is going to be done by making roads, but what has actually been accomplished in consequence of their construction. He says:
 “ ‘ Since 1890’—I am reading from the 1894 Government Blue Book on the native States of the Malay Peninsula—‘ the
 “ ‘ revenue has increased 40 per cent., and by the end of this year the increase will probably be 75 per cent. The production of
 “ ‘ tin has increased by over 50 per cent.; the export of padi is nearly 20 times what it was in 1890, and that of sugar is more than
 “ ‘ double. The value of the Customs revenue has doubled, and of the land more than trebled. The railway receipts last year were

“ ‘ three times, and this year will be nearly eight times, as large
 “ ‘ as in 1890. The postal business has increased fourfold, and
 “ ‘ that of the telegraph offices has more than doubled, while the
 “ ‘ trade of the State (in four years) has increased from a value
 “ ‘ of \$17,000,000 to nearly \$27,000,000. And this is not quite
 “ ‘ all. With the progress and prosperity of the State the well-
 “ ‘ being of its people has kept pace. The
 “ ‘ enormously improved facilities of transport that we have provided
 “ ‘ enable the miners to work great mineral fields so much more
 “ ‘ economically, that they can now, even at the present low
 “ ‘ price of tin, afford to turn over ground that ten or fifteen
 “ ‘ years ago would have been neglected as unpayable. Our lines
 “ ‘ of communication do something more than enable the miner to
 “ ‘ get his rice cheaply and transport his produce to a market at
 “ ‘ particularly low rates ; the railways, besides their own advan-
 “ ‘ tages, yield a large and direct revenue ; this year, in Perak, it



Tobacco Estate—Pitas.



Bukau.

“ ‘ will amount to nearly \$700,000 of which probably more than
 “ ‘ half will be profit, giving a return of about 10 per cent. on
 “ ‘ capital invested ; the roads feed the railways, and themselves
 “ ‘ indirectly contribute largely to the revenue. But the main point
 “ ‘ is that both roads and railways will open up the agricultural
 “ ‘ capabilities of the country and give us the best thing we can
 “ ‘ hope for—a settled agricultural population, and a body of
 “ ‘ Europeans who will bring their brains, their energy, and their
 “ ‘ money to convert our jungles into extensive estates of permanent
 “ ‘ cultivation, a form of enterprise such as no Asiatic has hitherto
 “ ‘ had the ability, experience, or determination to attempt.’ ”





Hakka Chinese and Coconut Trees



Informal opening of first section of Railway by Mr. W. C. Cowie May 1st 1898.

PROGRESS.

It will be seen from the foregoing that the Company was established in May, 1882, or nearly seventeen years ago. During the first twelve years of its existence progress was undoubtedly slow. This was owing to a variety of causes. Principal amongst these was the want of sufficient capital to energetically develop and open up the country. Out of an authorised capital of £2,000,000, £662,160 has been subscribed and £568,052 has been called up. Of this latter amount £300,000 was taken by the Vendors, leaving only say, £268,000 for development purposes. The greater part of this added to what the country has produced was expended, in the early years of the Company's history, in establishing various stations round the coast and in the

interior and in the erection of Government buildings and public works generally, besides defraying administrative expenses and maintaining a force of armed police for the protection of life and property. In 1894, however, a more vigorous policy was determined on, and during the intervening four years some £90,000 has been expended in development in its truest sense. The result has been the establishment of 300 miles of telegraph wire with stations at intervals over the whole route



Native Chief and Followers



Segama River where the alluvial Gold is found.

from Menumbok on the West to Sandakan (the Capital) on the East, thus bringing the territory into direct communication with the United Kingdom and the rest of the civilised world; the opening of the twenty miles of Railway and the construction of Roads in various parts of the country, and a systematic search for minerals. This increased activity and expenditure in the directions indicated, has had a marked effect upon the revenue of the country as will be at once seen by a reference to the Statement on page 46. This in spite of an increase in expenditure rendered necessary by the growing responsibilities of the



Petroleum Well Sequati.



Mr Cowie and party travelling beyond Railway limit.

Government. In the face of such steady progress, on a comparatively small capital, it was but natural that more attention should be attracted to the numerous resources of the country.

As an instance, negotiations have recently been completed with one of the leading financial houses, who have just made arrangements with Messrs. Pauling & Company, Limited, railway contractors, for sending out forthwith to British North Borneo, two engineers to survey the district on the West coast between Gantian and Tenom, a distance of about ninety miles, with the view of constructing a line of railway between those two points and thus extending the line already built.

STATEMENT showing the Progress of the Company from 1893 to 1897, inclusive :—

Year ending, 31st December.	Imports.	Exports.	Gross Revenue.	Land Sales.	Gross Expenditure.	London Office Expenses, Depreciation, Loss on Exchange and Sundries.	Net Deficit.	Net Surplus.	Rate of Exchange.	Year ending, 31st December.
1893	\$ 1,116,714	\$ 1,780,593	\$ 289,220	\$ 818	\$ 280,050	£ 12,064	£ 10,830	£ —	2/2 per \$	1893
1894	1,329,066	1,698,543	315,591	478	288,188	5,635	2,848	—	2/- „	1894
1895	1,663,906	2,130,600	348,947	466	313,097	3,294	—	1,061	2/1½ „	1895
1896	1,882,188	2,473,753	407,207	4,492	313,807	5,812	—	4,487	2/1¼ „	1896
1897	1,887,498	2,942,293	436,062	964	341,124	4,462	—	5,287	1 11¼ „	1897

For the Half-year ending 30th June, 1898—The GROSS SURPLUS realised is \$80,000 or about £8,000.

For the Half-year ending 31st December, 1898—The ESTIMATED GROSS SURPLUS is \$88,000 or about £8,800.

For the Year ending 31st December, 1899—The ESTIMATED NET SURPLUS is about £16,000.

THE AUTHORISED CAPITAL of the Company is £2,000,000.

THE CAPITAL ISSUED is—

191,620 Shares of £1 each, fully paid	£191,620
470,540 „ £1 „ 16/- „	376,432
			<u>£568,052</u>

EXTRACT from the Managing Director's Speech, at the Borneo Dinner, 29th November, 1898 :—

“ I will now only trouble you with one or two facts about the value of our property from an investor's point of view. On the one side of our balance-sheet we have £568,000. This represents the paid-up capital of the Company. On the other we have a country as large as Ireland, full of untold natural wealth, plus 25 miles of the railway you have seen a sample of on the screen to-night, 300 miles of telegraph, a cruiser, jetties, wharves, Government buildings, and all the other machinery necessary to control 170,000 natives, including the collection of revenue, which is now increasing annually. We owe nothing. There you have the matter in a nutshell.” (Cheers.)



Scene on the Railway.



Labuan and Borneo Company's Railway.

CONCLUSION.

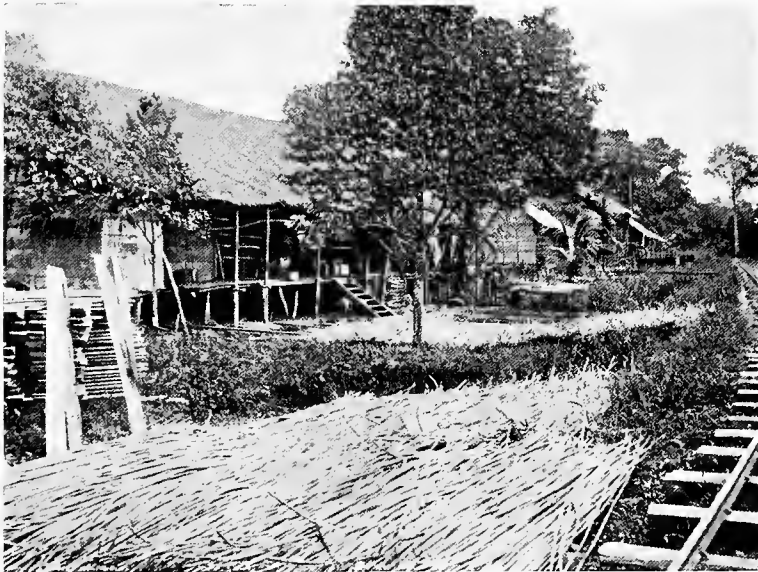
From the foregoing pages the reader will have gathered what is the condition at the present time of the British North Borneo Company's possessions, and will have formed some idea of the great possibilities which the development of the country is likely to bring about.

A British Colony of some 31,000 square miles—as large as Ireland—with a well established Government composed of Englishmen experienced in the country and its people ; teeming with natural wealth, as is proved by the results of the operations of the Company and of the existing settlers ; an equable climate favourable to Europeans and conducive to the growth of all tropical products ; with large coal supplies ; with excellent prospects of gold ; with an inexhaustible supply of cheap labour, procurable from Chinese ports contiguous to the country, in addition to native labour, which is plentiful ; connected by sea with the markets of the World—such a country only needs to be more widely known to attract settlers and capital to its shores.

Internal means of communication is undoubtedly the most pressing requirement of the country at the present time, and this will be supplied by the proposed railway, or railways, which will open up the interior of the territory.

Referring to the development of English Colonies, at a meeting of the Birmingham Jewellers' Association on 28th January, 1899, Mr. CHAMBERLAIN said :—

“ In little more than three years that I have been in office the Colonial Office alone, not speaking of the India and Foreign Offices, has sanctioned something like 800 miles of new railways in tropical Colonies.”



Drying Rattans on the Railway.



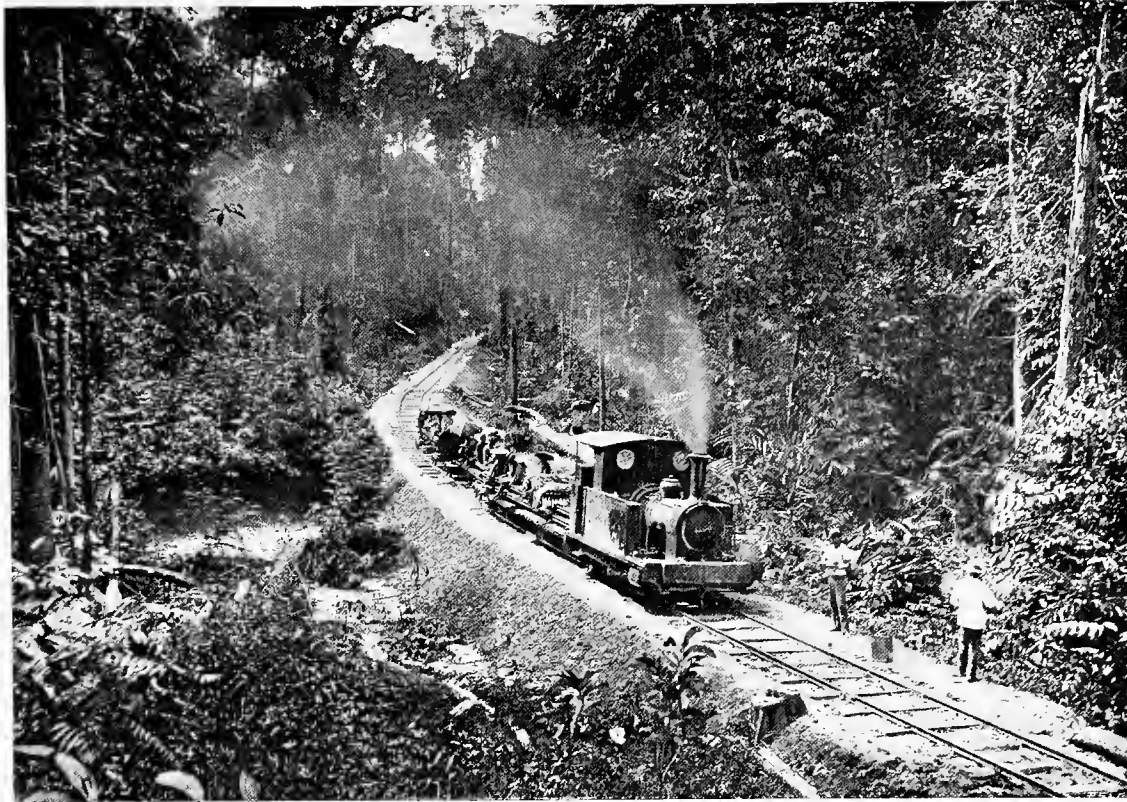
Coolie Quarters—Tobacco Estate.

In this connection it is interesting to note what railway communication has done in the neighbouring State of Selangor. In the year 1886, the one preceding the opening of the railway in that State, the revenue amounted to, in round figures, only \$689,000, or about the same amount as the present total revenue of British North Borneo, whereas in the following year, 1887, after the railway was opened, the revenue increased to \$1,153,896; moreover the **annual** increase from that date to the present time has been nearly half a million dollars, or almost as much as the total annual revenue before the introduction of the railway system.

A similarly rapid development of British North Borneo may certainly be looked for.

That these expectations have solid foundation is shown by the figures on page 46. Within six years a loss of £10,830 has been changed into a net profit, which in the current year is expected to attain the figure of at least £16,000, and the least sanguine can see that the coming year will be highly prosperous both for the settlers in the country and the shareholders in the British North Borneo Company.





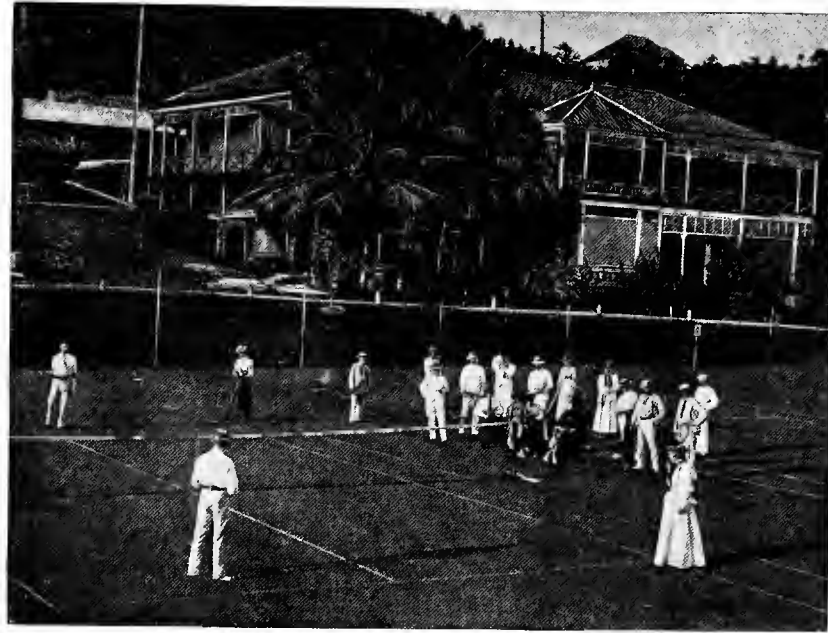
The First Train in North Borneo, 3rd February, 1898.



With reference to the above railway, Mr. West, the Chief Engineer, writes under date 11th August, 1898 :—“ There is a regular “ service between Bukau and Beaufort. The permanent way is now in very good condition. On the 11th, 13th, 14th and 16th June, “ train-loads of twelve waggons, each containing stores, material, drain-pipes, carts, planks, shop stores, furniture, live stock, “ cement, &c., were taken from Bukau to Beaufort. Regularly since, trains have been conveying similar materials. Mr. Walker has “ been a fortnight at Bukau surveying town lots by the railway, and there seems every indication that they will be eagerly taken up. “ The Murut population has doubled during the last six months, people coming from all quarters to plant rice by the side of the line. “ Going north from Bukau most of the jungle is cleared for nearly three miles on either side of the railway, and planting operations “ are in full swing. The same can be said of the other portion of the railway between Bukau and Maraba. I have just heard that “ there is to be a large influx of Kadians to this district ; the present facilities afforded for moving about are inducing people to come “ and settle here.”



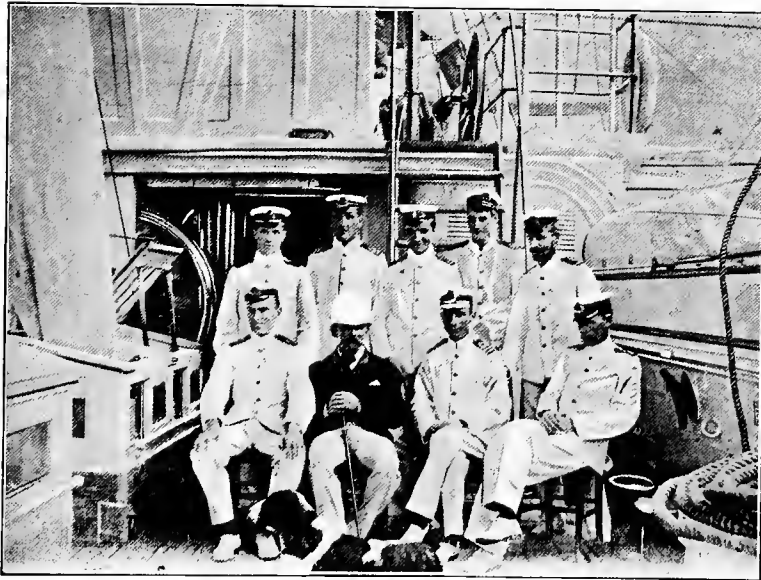
The late W. B. PRYER,
The Company's first Officer
at Sandakan.



Lawn Tennis In the Hotel Grounds Sandakan



The late FRANK HATTON,
The Company's first Scientific
Explorer.



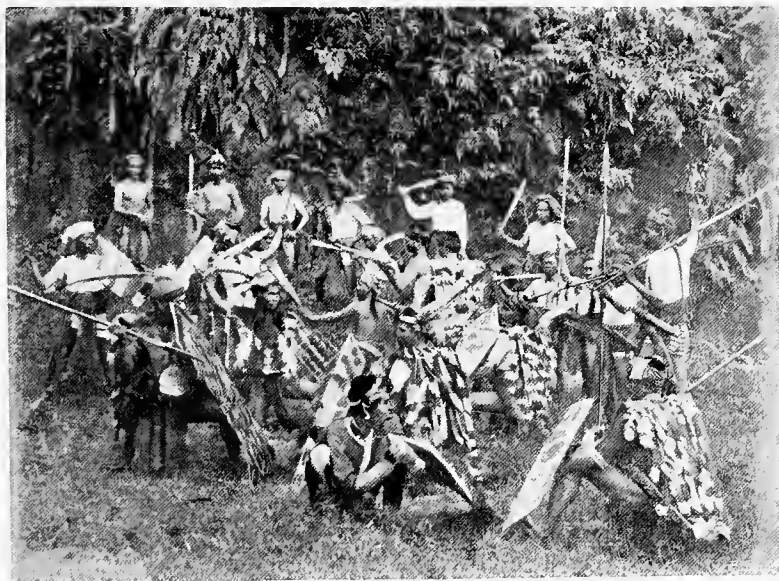
Officers of H.M.S. "Swift," present on the occasion of hoisting the Company's flag on
the new territory recently acquired by Mr. Cowie.



View from Kudat



First Railway Station in North Borneo.



Dyak's Sham Fight



Labuan Harbour



On Bukau River



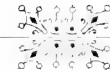
Nursery Gardens Tobacco Plantations



View in Sandakan.

IMPORTANT.

For full particulars as to the conditions under which land and other concessions can be acquired, and for all other information, application should be made at the Chartered Company's Offices, 15, Leadenhall Street, London, E.C.



List of some of the more important subsidiary Companies formed to cultivate Tobacco and other products and for various purposes in British North Borneo:—*

The New London Borneo Tobacco Company.
 The New Darvel Bay Tobacco Plantations.
 The New London and Amsterdam Borneo Tobacco Company.
 The Tobacco Estates Syndicate.
 The German Borneo Syndicate.
 The Batu Puteh Syndicate.
 The North Borneo State Cigar Syndicate,
 26, Leadenhall Street, London, E.C.

The Amsterdam Borneo Tobacco Company.
 The Arendsburg Tobacco Company.
 The Labuk Planting Company.
 The Borneo Teongud Company.
 The British North Borneo Development Co.
 The North Borneo Trading Company.
 The Tobacco Co. of British North Borneo.
 The Bakau Company.

The Borneo Coffee Company.
 The Sandakan Plantations.
 The British North Borneo Gold Syndicate.
 The Sandakan Bay Coalfields.
 The China Borneo Company.
 The Sabah Steamship Company.
 The North Borneo Ramie Fibre Company.
 Labuan and Borneo, Limited.

*The combined Capital of the above Companies exceeds £1,000,000.

Considerable areas of land have also been granted to other Companies and individuals for various purposes, notably to Messrs. Wallace & Co., for Petroleum, and to The Mortgage Investment and Contract Corporation for Rubber.

COURT OF DIRECTORS.

~~~~~	
RICHARD B. MARTIN, M.P., <i>Chairman.</i>	
SIR CHARLES J. JESSEL, Bart., <i>Vice-Chairman.</i>	
Lieut.-General THE HON. SIR ANDREW CLARKE, R.E., G.C.M.G.	Admiral of the Fleet THE HON. SIR HENRY KEPPEL, G.C.B., D.C.L.
EDWARD DENT.	J. A. MAITLAND.
F. C. STOOP.	
~~~~~	
WILLIAM C. COWIE, <i>Managing Director.</i>	
HARRINGTON G. FORBES, <i>Secretary.</i>	WILLIAM P. FLYNN, <i>Accountant and Assistant Secretary.</i>
P. CUTLER, <i>Clerk.</i>	F. H. MACKIE, <i>Clerk.</i>
~~~~~	

OFFICES:—15, Leadenhall Street, London, E.C.

## GOVERNOR AND STAFF IN NORTH BORNEO.

HEADQUARTERS - - - - SANDAKAN.

**Governor** .. .. . LEICESTER P. BEAUFORT.

### Colonial Secretary's Office—

*Colonial Secretary* .. .. . E. P. GUERITZ.  
*Clerk* .. .. . C. P. HOLLOWAY.  
 5 Native and Chinese Clerks.

### Treasury and Customs—

*Treasurer-General* .. .. . A. COOK.  
*Auditor* .. .. . J. W. WILSON.  
*Assistant Treasurer-General* .. .. . A. C. PEARSON.  
*Cashier—Sandakan* .. .. . M. PONSONBY.  
*Customs Officer—Sandakan* .. .. . A. W. ROUTLEDGE.  
*Treasurer—Kudat* .. .. . J. WHITE.  
*Do.* Labuan .. .. . G. M. O'B. HORSFORD.  
*Do.* Mempakol .. .. . F. S. NEUBRONNER.  
*Do.* Gaya .. .. . B. KEASBERRY.  
*Do.* Silam .. .. . J. B. MARCUS.

20 Chinese and Native Clerks.

### District Officers—

*Resident* Labuan .. .. . R. M. LITTLE.  
*Do.* Kudat .. .. . E. H. BARRAUT.  
*Do.* Darvel Bay .. .. . A. R. DUNLOP.  
*Officer-in-Charge—Province Keppel* .. .. . H. S. HAYNES.  
*Do.* Keningow .. .. . F. W. FRASER.  
*Do.* Sugut .. .. . J. E. G. WHEATLEY.  
*Asst. Officer-in-Charge—Darvel Bay* .. .. . W. H. HASTINGS.  
*Do.* *do.* *do.* .. .. . F. M. ISEMONGER.  
*Do.* *do.* Prov. Keppel. F. G. ATKINSON.  
*Do.* *do.* Beaufort .. .. . J. McNISH.

40 Chinese and Native Clerks.

**Judicial Department—**

*Judge* .. .. . E. P. GUERITZ.  
*Magistrate* .. .. . W. H. PENNEY.  
*Registrar* .. .. . P. F. J. MARCUS.

12 Clerks, Interpreters, &c.

**Constabulary—**

*Commandant* .. .. . CAPT. J. M. REDDIE.  
*Sub-Commandant* .. .. . C. H. HARRINGTON.  
*Wing Officer* .. .. . W. R. FLINT.  
*Adjutant* .. .. . C. T. WATHEN.  
*European Inspector* .. .. . J. COLLUCK.  
*Do. Do.* .. .. . W. FULLERTON.

36 Non-commissioned Officers.

430 Rank and file.

4 Native and Chinese Clerks.

**Gaols—**

*Superintendent* .. .. . C. H. HARRINGTON.  
*Assistant Superintendent* .. .. . H. A. FRERE.

2 Chinese and Native Clerks.

**Medical Department—**

*Medical Officer—Sandakan* .. .. . J. H. WALKER, M.D.  
*Do. Labuan* .. .. . R. E. ADAMSON.  
*Do. Kudat* .. .. . J. CAMPBELL.  
*Do. Beaufort* .. .. . G. N. JOHNSTONE.

3 Native Assistants.

**Land Office—**

*Commissioner of Lands* .. .. . H. WALKER.  
*Assistant Commissioner of Lands* .. .. . E. N. M. ASHNESS  
*Government Surveyor—Labuan* .. .. . F. C. PAVITT.

6 Native and Chinese Assistants.

**Public Works Department—**

*Superintendent* .. .. . E. A. PAVITT.

**Railways—**

*Chief Engineer* .. .. . A. J. WEST.  
*Surveyor* .. .. . E. HOGAN.

**Telegraphs—**

*Superintendent* .. .. . J. G. G. WHEATLEY.

14 Native Overseers and Operators.

**Agriculture—**

*Superintendent* .. .. . C. H. KEASBERRY.

**Immigration and Protectorate—**

*Protector of Chinese* .. .. . N. B. DENNYS.

**Printing Department—**

*Editor of "British North Borneo Herald"* N. B. DENNYS.

8 Native and Chinese Compositors.

**Postal Department—**

*Postmaster—Sandakan* .. .. . W. H. PENNEY.  
*Do. Labuan* .. .. . W. BOYD.

3 Chinese and Native Assistants.

**Cadets—**

LEONARD LOVEGROVE.

C. C. PYKE.

**Government Vessels Department—**

S.C. "PETREL."

S.L. "MELAPI."

*Chief Engineer* .. .. . E. ROBERTS.

2 Assistant Engineers.

12 Crew.



Sultan of Sulu and Suite.





Railway through Plantations and Bukau River



Railway Cutting on the Padas River.



Railway Station Bukau.



Railway Siding at Beaufort.

Sir CHARLES JESSEL, Bart.,  
Vice-Chairman,



Mr. R. B. MARTIN M.P.  
Chairman.



Mr. W. C. COWIE,  
Managing Director.



Admiral of the Fleet.

The Hon Sir HENRY KEPPEL  
G.C.B., D.C.L.



Lieut.-General,

The Hon. Sir ANDREW CLARKE,  
R.E. G.C.M.G. C.B. C.I.E.



Mr. EDWARD DENT.



Mr. J. A. MAITLAND.



Mr. F. C. STOOP

**THE COURT OF DIRECTORS.**

Mr. H. G. FORBES



Mr. W. P. FLYNN



Mr. P. CUTLER

Mr. F. H. MACKIE

SOME OF THE COMPANY'S OFFICIALS.

(For Key, see page 60.)



View on the Railway.



Railway Cutting on the Padas River

—••—

*Key to list of Company's Officials.*

1	L. P. BEAUFORT (Governor)	13	Mr. W. R. FLINT
2	Mr. A. COOK	14	Capt. J. M. REDDIE
3	Mr. H. WALKER	15	Mr. J. W. WILSON
4	Dr. J. H. WALKER	16	Mr. E. P. GUERITZ
5	Mr. E. H. BARRAUT	17	Mr. R. M. LITTLE
6	Mr. N. B. DENNYS	18	Mr. A. C. PEARSON
7	Mr. F. W. FRASER	19	Mr. C. T. WATHEN
8	Mr. F. M. ISEMONGER	20	Mr. W. H. PENNEY
9	Mr. H. A. FRERE	21	Mr. W. H. HASTINGS
10	Mr. L. LOVEGROVE	22	Mr. H. S. HAYNES
11	Mr. C. C. PYKE.	23	Mr. F. G. ATKINSON
12	Mr. C. H. HARRINGTON	24	Mr. JOHN CAMPBELL



Work on the Railway—Blasting Rock

# BRITISH NORTH BORNEO.

Area of The Chartered Company's Property  
31,000 SQUARE MILES.

## REFERENCE

- TELEGRAPH LINE ————
- RAILWAY (COMPLETED) ————
- D^o (IN PROGRESS) - - - - -
- D^o (PROPOSED EXTENSION) - - - - -

