## COLONIAL REPORTS—ANNUAL

No. 597....

# ST. HELENA.

## REPORT FOR 1908.

(For Report for 1907, see No. 560.)

Presented to both Mouses of Parliament by Command of Mis Majesty.

May, 1909.



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No. 597.

# ST. HELENA.

(For Report for 1907, see No. 560.)

THE GOVERNOR TO THE SECRETARY OF STATE.

The Castle, St. Helena, 9th March, 1909.

My Lord,

I have the honour to transmit herewith the Colony's Blue Book, together with my Annual Report thereon, for the year 1908.

I have, &c.,

H. L. GALLWEY,

Governor and Commander-in-Chief.

The Right Honourable, The Earl of Crewe, K.G., &c., &c., &c.

## ANNUAL REPORT FOR THE YEAR 1908.

## I.-FINANCIAL.

## (A.) REVENUE.

The revenue for the year under review reached a total of £7,432 1s. 5d., being £866 18s. 5d. in excess of the estimate and an increase of £224 12s. 9d. over the revenue of 1907. The increase over the estimate was caused almost entirely by the issue of four new values of stamps and the consequent demand for same from stamp collectors in the United Kingdom and elsewhere. No less than £776 resulted from this source. Other causes accounting for the increase of revenue over the estimate were an additional liquor shop being opened; and by the sale of certain stock to cover withdrawals from the savings bank being delayed until 1909, thereby giving the Colony a larger amount in dividends than was anticipated. Against the above increases there were short-falls under four heads amounting in all to £83 5s. 1d.

The revenue was £672 16s. 2d. less than the expenditure, being £176 15s. 7d. less than the corresponding deficit in the previous year.

Apart from the revenue was the sum of £379 14s. 3d. received from Jamestown householders of monies (including interest) advanced to them under the Drainage and Water Works Ordinances. The amount recovered was about 45 per cent. of the total due, and was £50 in excess of the sum recovered in the previous year. On the 31st December, 1908, the sum of £3,759 13s. 6d. still remained due from householders.

## (B.) EXPENDITURE.

The expenditure for the year amounted to £8,104 17s. 7d., being a net sum of £30 4s. 8d. in excess of the estimates, and £47 17s. 2d. more than the expenditure in the previous year.

The principal excesses over the estimates were: Customs, £84—due to the refund of wharfage on coal supplied to a larger number of His Majesty's ships than usual. £318 was paid in this service. Medical, £42—caused by a larger number of patients being admitted to the Hospital than was anticipated, which caused an increase under Provisions, &c. More than this sum was received in hospital fees over and above the amount estimated. The majority of the departments showed small savings, which, however, call for no particular comment.

## (C.) Assets and Liabilities.

The assets of the Colony on the 31st December, 1908, amounted to £23,904 14s. 10d. Included in this sum is £18,991 4s. 3d. Savings Bank Stock (cost price) and £3,759 13s. 6d. due from

Jamestown householders under the Drainage and Water Works Ordinances. I fear that a considerable part of this latter sum will never be recovered. The Colony's liabilities on the same date amounted to £23,081 10s. 2d., including an overdraft with the Crown Agents for the Colonies of £5,422 0s. 9d. This overdraft would under ordinary circumstances have been £600 less, but the sale of stock to that amount to cover withdrawals from the Savings Bank was not effected during the year under review. Among the liabilities was the sum of £17,532 15s. due to depositors in the Savings Bank.

The surplus of assets over liabilities on the last day of the year under review amounted to £823 4s. 8d., being £360 10s. 7d. less than on the same date of the previous year.

## (D.) GRANTS.

Expenditure under Parliamentary and Treasury Grants during the year was as follows:—

Fibre industry Lace industry (approximate) Longwood water main Maintenance of roads	***	1,535 $200$ $1,419$ $360$	0 14	0	
'Total		£3,515	14	3	

The total sum spent under Imperial grants since the withdrawal of the garrison until the 31st December, 1908, amounted to £7,472 8s. 6d.

I have no hesitation in stating that the improvement in the economic situation in St. Helena to-day is greatly due to the practical and sympathetic manner in which His Majesty's Government has come to the Colony's rescue. The financial assistance so generously given has alone saved the débâcle of one of the Crown's oldest possessions. Without that assistance the situation in St. Helena to-day would have been little short of desperate.

## (E.) CURRENCY.

The cash circulation at the beginning of the year under review was about £5,000. It is now probably nearer £8,000, thanks chiefly to the large disbursements made by the Colonial Government Flax Mill.

Bills on the Crown Agents for the Colonies to the amount of £6,314 15s. 10d. were issued during the year, being slightly more than in 1907, when the amount was £6,146 16s. 6d. The amount given does not include monies drawn by the Flax Mill for the last nine months of the year. Since the 1st April, 1908, that institution has had a separate account with the Crown Agents, and issues bills on those Agents quite distinct from Colonial Government Bills. The amount in bills drawn by the

Mill management during the nine months ending 31st December, 1908, was £2,055.

£2,100 specie was exported during the year under review and £500 imported, showing a £1,600 excess on the export side. The excess in 1907 was almost the same, namely, £1,667.

Apart from remittances by means of bills and specie, the public remitted £3,568 to the United Kingdom and £487 to South Africa through the Post Office during the year under review, as compared with £3,809 and £365 respectively in 1907.

## II.—TRADE, AGRICULTURE, AND INDUSTRIES.

### (A.) TRADE.

#### Revenue.

The Customs revenue for the year amounted to £3,430, being £130 in excess of that of 1907 and an increase over the revised estimate of £330, due to the fact that a sailing vessel with coal and other cargo, which was not expected to arrive until early in 1909, arrived during the last week of the year under review.

The increase appeared chiefly under two heads, namely:-

"Wharfage," £77.—Due to a large shipment of grain and flour arriving at the close of the year.

"Import Duties," £150.—Indirectly caused by the increase in the cash circulation following the establishment of the Government flax mill and by the visits of the Second Cruiser Squadron and several other of His Majesty's ships during the year.

There was a decrease of £68 under "Tonnage Dues." This was due to the coal vessel referred to above not paying the tonnage dues until after the 31st December, 1908. These dues amounted to £79, and had they been paid before the date named there would have been a slight increase over the figures of the previous year instead of the decrease shown above.

There was a decrease of £31 under "Water." Due chiefly to the reduced price thereof (2s. per tun) which came into force in July, 1907.

## Expenditure.

The expenditure for the year amounted to £733, being £100 in excess of the previous year. This excess was mainly due to the large amount of coal supplied to His Majesty's ships, on which the naval contractors obtained a refund of wharfage. The amount refunded was £318, as against £233 in 1907.

## Imports.

The total value of imports showed an increase of £602 over the previous year, the figures being £36,216 and £35,614 respectively.

The following figures give the principal imports for the year under review as compared with 1907:—

Articles.			1908.	1907.
			£	£
Beef and pork			544	1,162
Beer			557	644
Butter		***	2,012	1,454
Cigars, cigarettes, and	l tobacco		791	820
Chemicals, drugs, &c.			358	508
Coal and patent fuel			2,860	3,332
Drapery and dry good			4,423	3,312
Flour			3,163	1,930
Grain, seed, and oil c	ake		2,435	1,617
Hardware, metals, &c.		9.85	1,583	684
Leather, boots, &c			850	790
Machinery			252	1,217
Oil, paraffin		***	992	670
Oilman's stores		***	6,578	6,692
Rice			1,960	2,833
Specie		***	500	1,250
Spirits		944	835	775
Stationery		+++	495	494
O .			2,035	2,171
Sundries		2.12	408	725
				556
Wine		***	849	515

### Exports.

The total value of exports amounted to £6,685, being an increase of £1,981 over the previous year. Excluding specie, the increase for 1908 over 1907 amounted to £2,798.

The year under review is of particular interest in that it was the first year in which the fibre industry really affected the exports. Fibre and tow to the value of £3,557 was exported during the year. This amount (with the exception of £257) being the value of output from the Government Mill. The £257 referred to represents the value of produce exported by a small private mill. The total weight of phormium produce exported was 128 tons fibre and 41 tons tow, of which 111 tons and 33 tons respectively came from the Government Mill.

155 sheep were exported to Ascension during the year under review, valued at £310. The total value of cattle and sheep exported amounted to £348, as against £50 in the previous year. The value of other exports was:—

			1908.	1907.
			£	£
Hides and	skins	 	136	90
Old metal		 	227	1,173
Specie		 	2,100	2,917
Wool		 	205	315

Against the export of £2,100 in specie was an import of the same article of £500.

## (B.) AGRICULTURE, FORESTS, AND GARDENS.

The year 1908 was not a very satisfactory one for agriculture. The first crops of the year were almost a total failure owing to scarcity of rain during the months of March and April. The year under review was the worst season for potatoes for many years. In many cases, early in the year, the seed was entirely lost, which placed farmers in a difficult position for their next crop. No seed could be bought locally, and owing to the time of year none could be obtained from England. The Colonial Government came to the aid of the farmers later on in the year by offering to import seed, but scarcity of funds and the low price obtainable for prime potatoes prevented many planters from taking advantage of the offer. Prices for potatoes ruled higher at the Cape than for many years past, but unfortunately, owing to failing crops, St. Helena farmers were unable to reap the benefit. Mealies did badly except in the most favoured localities. Grain and roots were an average crop. The supply of dairy produce during the year was equal to the demand. Only a small quantity of hay was made—the demand being small and the lands suitable for hay-making being in most instances overstocked. Cattle were not in good condition owing to most of the lands being overstocked. Many calves were destroyed at birtha pitiable fact, but a necessary course to take. Negotiations with the naval authorities, lasting for over a year, to dispose of 200 head of cattle for the use of His Majesty's ships on the Cape Station ended in a negative result in spite of the joint efforts of Vice-Admiral Sir Edmund Poë, K.C.B., K.C.V.O., R.N., and the Colonial Government to bring the matter to a satisfactory conclusion. The Cape Colony Government most generously consented to remit the import duty of 30s, a head on the cattle referred to, but even with that concession the price of the meat worked out at a figure in excess of that paid under contract by the naval authorities at Simonstown. The rate of freight on live stock charged by the Steamship Company for a voyage of six days was the chief cause that prevented the farmers from getting rid of the cattle referred to. Sheep did well during the year, with a good lambing season. Sheep owners entered into a contract to supply the naval establishment at Ascension with at least 30 sheep a month. The supply had been carried out for about five months when a telegram was received from Ascension at the end of December stopping the January shipment. It appears that disease had appeared among the sheep in that Island. The stoppage of shipments was only very temporary. There is no doubt that the Admiralty have found a cheap market in St. Helena. I am inclined to think that the price for mutton charged by St. Helena farmers is about one-third the price paid by the Admiralty for sheep imported into Ascension from England. All the animals sent to Ascension leave the Colony sound. They are passed before shipment by the Admiralty Inspector. Further, disease among Island-bred sheep is practically unknown in St. Helena.

The benefits derived by donkey owners from the "Stallion Donkeys Ordinance, 1905," are now very apparent. This fact is universally recognised throughout the Colony. A far superior breed of donkey has resulted, and mares can now bring up their foals in peace instead of being continually chased by stallions as in times gone by, when every year had its roll of mares killed by falling over the rocks in their endeavours to escape from their pursuers. It is a noteworthy fact there are only about twelve stallion donkeys of over two years old in St. Helena to-day. Nine of these are certificated for breeding purposes, and three are These latter are kept under control, and are not allowed to roam about as in days of yore. Four years ago the number of stallions was about four hundred, and the greater majority of those were under no control. In addition to the Spanish donkey stallion, the Colonial Government has two certificated stallions, whose services are at the disposal of donkey owners free of charge. During the last two years three or four mules have been bred from horse mares by the Spanish jack. These are the first mules ever bred in the Colony. Mules are preferable to horses for draught purposes in a hilly country like St. Helena. It is to be hoped, therefore, that the Spanish donkey may be the sire of many more mules, which animals will become

more valuable as the fibre industry develops.

About 1,000 young trees were issued during the year under review from the Plantation Nursery-half of which went to the general public free of cost, the remainder being planted out on Government lands. Tree planting on unfenced lands in St. Helena is a thankless task. The Islanders generally appear to take no interest in the matter. I do not, of course, refer to landowners who plant trees on their own estates. I refer to the cottagers who do not consider it any affair of theirs if they see young trees being devoured by the numerous goats that roam over Government waste lands. Successful tree planting on waste lands in St. Helena can never be attempted until the Government is in a position to get rid of every goat in the Island. The abnormal deforestation which has taken place in St. Helena during the last three hundred years is entirely due to the ravages of that unpleasant and voracious quadruped, the goat. It is the Colonial Government's impoverished condition only that has prevented me from strongly urging the introduction of legislation by which every goat in the Island would be exterminated and the importation of that animal rigidly prohibited. A privilege too long granted is generally abused by an easy-going community, and such privilege in time is looked upon as a right, although not legally one, the withdrawal of which would be considered a gross piece of injustice. This fact applies to the roaming of large flocks of goats over Government waste lands in St. Helena to-day. With the exception of a few wild goats on the Barn, all these animals are owned. If therefore an order went forth for the slaughter of all goats it would be only reasonable to grant owners some compensation for the loss of their animals. I am convinced that once the goats were eliminated from St. Helena, it would be found quite easy to plant most of the waste lands, which are now such eye-sores, with willow and other hardy trees. Where trees once grew they will grow again, and I agree with the opinion of the leading landowners in St. Helena in 1810 that "the temporary inconvenience of a few ought not to be an obstacle to the permanent interests of the Island." The landowners referred to unsuccessfully urged the destruction of all goats. In the year 1502, when the Island was first discovered, its interior was described as one entire forest, and even some of the cliffs overhanging the sea were said to be covered with gumwood trees. The Portuguese, unfortunately, introduced goats into the Island in 1513, and in 1588 Captain Cavendish relates that "there were thousands, and they were seen one or two hundred together, and sometimes in a flock almost a mile long." The early explorers of St. Helena refer to "huge forests"—few vestiges of which are now to be seen, thanks to the goats.

The sale of trees from Government forests during the year under review amounted to £13 1s., and the sale of fruit from Maldivia Garden realised £22 4s.  $5\frac{1}{2}d$ . The figures in the previous year were £10 12s. 6d. and £11 8s. 7d. respectively.

A revenue of £74 0s. 2d. was collected during the year in connection with the Government pasture lands at Botley's Lay, against an expenditure of £72 12s. 7d.

## (C.) INDUSTRIES.

Phormium.—Putting aside the unfortunately low price of fibre which prevailed in the London market throughout the whole of the year under review, the first year's working of the Government Flax Mill can be pronounced as a decided success. A brief report by the mill manager, Mr. A. W. Hall, on the mill's working for the year forms an Appendix (marked A) to this Report. I take this opportunity of recording in a public document my appreciation of the services rendered by Mr. Hall in connection with the establishment of the flax industry in St. Helena. With the exception of the first four weeks, Mr. Hall has been in charge of the mill from the start, and I am glad to think that his services are available for some months longer. His management has been both energetic and capable, and he has taken the most prominent part in establishing in the Island an industry which is going materially to contribute towards regaining for St. Helena some of her lost prosperity.

The following details give in brief the results of the mill's working for the first twelve months of its existence, ending on the 30th November, 1908:—

Realised by sale o	f fibre	and tow	(net)		£3,090	
Expenditure				***	£2,845	
Leaves milled	177	***			1,0561	tons.
Fibre produced	***		***		$119\frac{7}{2}$	,,
Tow ,,		***			36	100

The year's transaction showed a profit of £245 of revenue over expenditure. This, I consider, was a creditable result to the management, looking at the abnormally low price of fibre obtainable during the whole of the period under review. For the first

four months of that period the working expenses of the mill were paid out of the Parliamentary grant allotted to the Colony to establish the industry. This generous concession on the part of His Majesty's Government gave the mill a capital of £885 (being the working expenses for the first four months) on which to start business on its own account on the 1st April, 1908. The sum named, added to the year's profit, resulted in the mill's capital amounting to £1,100 odd after a year's work. These funds will allow the mill to be considerably extended in a couple of years' time in order to be able to deal with the large amount of leaves which growers will wish to supply to that establishment when the new plantings are ready to reap. It will not only be necessary to double the capacity of the present buildings, but it will necessitate the existing plant being largely added to. Further, the possession of a fair capital will allow the management to view with equanimity the shutting-down of the mill for a few months when the existing supply of mature leaves is exhausted, and pending the maturing of the new growths.

The chief items of the mill's expenditure of £2,845 were: Wages, £794; freight, lighterage, and cartage, £391; oil, £162; and leaves, £1,380. The amount under wages includes the salary of the local manager, Mr. Hall's salary being paid by the Imperial Government.

The price paid for leaves during the first four months of the year was at the rate of 30s. a ton. This was found to be far more than would allow the mill to be run at a profit, and so, as soon as the mill started on its own, a price was fixed in accordance with the price of fibre in the London market. This price was at the rate of 5 per cent. on the price of fibre. Thus 30s. a ton would be paid for leaves when the price of fibre was £30 a ton. This arrangement worked out very well, and was accepted as reasonable by all parties.

The Union-Castle Steamship Company kindly consented to carry the first 60 tons (measurement) of produce to England freight free. This concession went a long way towards making up for the loss occasioned by paying an excessive price for leaves for the first four months.

The amount of oil consumed during the period named was 5,747 gallons fuel oil, and 1764 gallons lubricating oil. The Colonial Government was fortunate in taking over 9,000 gallons or so of fuel oil from the Imperial Government in St. Helena at a cost of 6d. per gallon, the transport of which to the mill adds another penny to that cost. When the supply named is exhausted I fear that it will not be possible to import a suitable oil at less than 1s. 2d. or 1s. 3d. a gallon.

As I anticipated, the fact of St. Helena being without a certificated grader affected the price obtainable for the fibre in the London market. The first shipment, a very small one, consisting of three tons of fibre, had the advantage of being graded by Mr. Fulton and was naturally accepted in the market at the grade given. This fibre fetched £27 10s. per ton. The second shipment of nearly 11 tons was ungraded (Mr. Fulton having left the Island in the same steamer that took away the first lot),

and realised £25 10s. per ton. The market price had fallen over £1 since the first shipment was sold. There was, however, a cry that the second shipment was inferior to the first, especially as regards strength. This contention was not accepted as correct by my Mill Manager, and equal care had been taken as with the first shipment to produce a good article. I agreed with Mr. Hall in putting down the cry of inferiority chiefly to certain buyers taking advantage of the Colony not being in a position to grade its fibre before shipment. This view of the situation appeared to be fairly correct as far as the comparison between the two shipments was concerned. Samples of each shipment were sent to the Imperial Institute to be thoroughly analysed and compared with each other and with a standard sample of New Zealand fibre. Professor Dunstan reported as follows:—

First shipment.—Description: "Well-cleaned, soft fibre; fairly even diameter; light brown colour, but green in parts; fairly good lustre." Strength: "Good." Length of staple: "Six to nine feet." Remarks: "The strength of this sample was less than that of a standard sample of *Phormium tenax* from New Zealand; taking the strength of the latter as 100, the strength of the St. Helena fibre would be represented by 75."

Second shipment.—Description: "Well-cleaned, soft fibre; light brown colour, but green in parts; lustre good on the whole." Strength: "Good." Length of staple: "Nine feet." Remarks: "This fibre resembles the first shipment in chemical composition and behaviour, both consignments of fibre being very similar to the Phormium fibre grown in New Zealand. The fibre of the second shipment was a little stronger than the first, though weaker than a standard sample of New Zealand hemp; representing the strength of the last named by the figure 100, the strength of the first shipment would be 75, and that of the second 80."

Professor Dunstan's analyses not only supported the contention I held regarding the complaint of an inferior article having been sent home, but proved the second shipment to have been, if anything, superior to the first, especially as regards strength, the very quality it was said to be deficient in. These facts show the advantage of selling a graded article as against an ungraded one.

It is most difficult to account for St. Helena fibre being less strong than the New Zealand article. Mr. Hall is quite unable to give the reason. In fact, he is of opinion that there is no material difference between the average strengths of the two articles. It is, of course, possible that "the standard sample of New Zealand hemp" referred to by Professor Dunstan is an unusually superior sample. A fairer test of strength would be to take a chance sample from a New Zealand bale of fibre which was sold alongside the St. Helena article. I do not claim to possess much knowledge in the matter, but if it is a fact that St. Helena phormium is less strong than that grown in New Zealand, I am inclined to think that the former article does not get either the amount of sun, or the same strength of sun's rays, as do the plants in the Dominion. I am led to understand that plenty of

sun is necessary to produce fibre of a strong quality. Now, in St. Helena the sun is not very strong (sunstroke is practically unknown although the Island lies in the tropics) nor are there as many hours of genuine sunlight as you get in England for instance. This fact is very apparent when comparing the harvest seasons in England and St. Helena.

Large areas of land were laid out in flax during the year under review, and it is plain that the farmers pin their faith on the new industry. It is difficult definitely to state the acreage of land under flax to-day, but it cannot be much less than 500 acres, not including the large number of phormium hedges that have existed in the Island for many years.

I consider the progress made in the industry to date to be most encouraging, and I am more certain than ever that flax is going to prove of very much more value to the Island than would be the presence of a small garrison.

When the fibre industry develops to any extent, say in three years' time, it will be imperative for the success of the industry that the Colony has its own grader, and so allow for all the produce exported being graded before shipment. If this is not done it is more than likely that the different mills will send home varying qualities of fibre, and so tend to give the St. Helena article a bad name in the London market.

Aloe.—Nothing was done during the year under review in either the cultivation of the aloe (Fureræa gigantea) or in milling the fibre thereof. It is generally recognised that the industry is quite unsuited to a hilly country like St. Helena, where the difficulties of transport are so great. When it is considered that a flax mill requires capable management to make a fair profit with an ever fluctuating market, and looking at the fact that it only takes nine tons of flax leaves to make a ton of fibre, it is easy to understand that only a dead loss would result in turning out an article which takes 40 tons of leaves to produce one ton of fibre, as is the case with the aloe.

Lace-making.—The Association which started the lace-making industry in St. Helena (vide my Report on the Colony for 1907, page 16) ceased to exist during the year under review. The Association had great difficulties to contend with, and it was quite plain that such difficulties could not be satisfactorily overcome by a body whose affairs were managed by a committee. Management by a committee has many drawbacks, even if the members thereof are all experts, which they did not claim to be in this instance. Several heads are not necessarily better than one. There was a general consensus of opinion that the only hope of the industry becoming a possible success lay in Government control. Such control came into force on the 1st July of the year under review by the establishment of the Government Lace School in Jamestown. Miss Girdwood, who had succeeded Miss Moody as expert to the late Association in April of the year under review, was appointed Manageress of the School. A brief report by Miss Girdwood on the working of the school for the first six months of its existence forms an Appendix (marked B) to this Report. The progress made during that

ST. HELENA, 1908.

period was quite satisfactory, and was entirely due to Miss Girdwood's patient and capable methods of management. There is no doubt that the fact of the school being under Government control has been a most important factor in whatever has been accomplished.

At this early stage the school cannot reasonably be looked to to pay its own way. The Imperial grant and loan allotted to the late Association was exhausted before the Lace School came into being, consequently for the first six months of its existence the school's only revenue consisted of the amount realised by the sale of work and the funds taken over from the late Association.

The revenue for the period named amounted to £312 13s. 1d., made up as follows:—

					2	S.	a.
Taken over from		Assoc	iation		147	3	5
Sale of work	***		***		142	0	8
Donations	444		1554		21	0	0
Interest (Savings	Bank)		***	234	2	9	0
	Total	***	***		£312	13	1
Against this the namely:—	expendit	ure a	mounted	to	£205	38.	10d.,
					£	S.	d.
Salaries	***	***	113		74		4
Workers' earning	's	***	***		77	8	6
Materials and in	cidental	100			53	2	0
					_		

Putting aside the monies taken over from the late Association, the school's transaction for the six months showed a deficit of £39 14s. 2d. of revenue under expenditure. Taking the amount realised by sale of work alone, the expenditure exceeded receipts by £63 3s. 2d.

... £205 3 10

Total

It should be remembered that the school at this stage of its existence depends entirely on private orders to keep it going. It must take some time for St. Helena work to gain sufficient character of its own to command a sale in the open market.

The school is greatly indebted to Mrs. Ord Marshall, honorary secretary of the League of the Empire, for the practical and sympathetic interest she continues to take in the industry. The majority of orders from England come through that lady, who in many other ways has been of great assistance to Miss Girdwood. The management is also indebted to Dr. Muir, Superintendent-General of Education, Cape Colony, for the great interest he has taken in the Lace School, and for the efforts he has made to interest the South African public in the school's work. Miss Moody, too, has been most helpful in supporting the school. This lady left the Colony in April of the year under review, after rendering most useful services to the late Association for over nine months. Her place was taken by Miss Girdwood.

whose good services I have already referred to. Miss Girdwood is not only a very competent and painstaking teacher, but she possesses great influence of the right kind over her pupils. I am glad to have this opportunity of placing on record my thanks to Miss Girdwood for work well performed. I exercise personal supervision over the school, but at the same time give the manageress a free hand outside of financial matters. In my efforts to make the school a success I have been most loyally assisted by Mr. L. Tucker, as honorary secretary, and Mr. G. Liddy, as honorary treasurer. Both these gentlemen give their services gratuitously.

I am very hopeful of the future success of the Government Lace School provided the present management continues. The process must necessarily be slow when dealing with people who are far from being energetic. To attain success it is essential that the workers, and more especially their parents, should look upon the industry as one that can only succeed provided sufficient and regular workers are available to execute punctually all orders received, instead of looking upon the Lace School as a place where money can be earned according as the whim may seize them to work. This latter view is the one taken by many of the parents of the workers, not in many cases by the workers themselves, and can only serve to sadly handicap the rising generation in their efforts to make the industry a success. The ignorance of the parents referred to is really a matter of heredity. They have lived their whole lives in a very confined area, and have had no opportunity of seeing the outside world. The consequence is, having no other standard, they measure themselves by themselves, and compare themselves with themselves. Is it any wonder that their minds should be cramped? The opportunity to expand their ideas has never come to them. success of the lace industry lies with the better-educated rising generation. In fact, some of the most efficient and intelligent workers in the Lace School are to be found among girls who have not yet left school. The superior intelligence of these girls and their brothers over the older generation is a promising factor in the future history of the Island.

Miscellaneous.—During the year under review I submitted several samples of different products to Professor Dunstan in the hope that they might prove to be of commercial value. The samples which the Director of the Imperial Institute kindly reported on were:—

(1.) Phormium pulp.—An article appeared in a New Zealand newspaper stating that the pulp taken off the phormium leaves during the process of stripping was a valuable product from which an excellent spirit could be produced, which spirit could be used as fuel for driving engines. Professor Dunstan reported unfavourably on the sample sent to him, and further stated that the distillation of alcohol involves a considerable capital expenditure on plant, and that a large consumption of fuel would also be entailed. He was of opinion that "the cost of producing alcohol, even if it were possible to do so, from the pulp would outweigh any possible gain through the use of alcohol instead

of oil for fuel for the engine," and suggested that the most profitable use for the pulp would be to employ it as a fertiliser, and thus return its valuable constituents to the soil. Professor Dunstan also reported unfavourably on the pulp as a papermaking material.

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(2.) Lichen.—It was suggested to me that the lichen which freely grows on the trees and rocks in St. Helena would probably be of use as a dveing material. Professor Dunstan, after analysing the sample submitted to him, stated that no commercial opening could be found for the article.

(3.) Prickly pear.—My attention was drawn to an article which appeared in a Tasmanian newspaper setting forth the number of uses to which the prickly pear could be put, and proclaiming the great commercial value of that much abused plant. The writer of the article, inter alia, stated that both sugar and spirit could be extracted from the plant: that the pulp was an excellent material for paper-making and as food for cattle; and that the plant as food for human consumption was equal to any other vegetable that grew in the garden. I submitted the article to Professor Dunstan for his views thereon, which views were not sufficiently favourable for me to pursue the matter further.

### (D.) SHIPPING.

The number of visiting ships continues to decrease. Fiftythree vessels called during the year under review, as against 57 in 1907. Seventeen passing vessels were boarded by licensed traders, being one less than in the previous year. Of the 53 vessels which called 39 were British, including nine ships-ofwar. The tonnage of calling ships shows an increase of 35,272 over the previous year. This increase is entirely due to the unusual number of His Majesty's ships that called, the aggregate tonnage of which was 70,607. Only one foreign (German) manof-war called during the year. Twenty-eight vessels (27 of which were British) entered and cleared during the year with a tonnage of 156,482. The figures in 1907 were 29 and 160,655 respectively. Four whalers touched at the port during the year under review—three being American sailing craft, who called to give their men liberty ashore and to replenish their crews; and one steam vessel flying the Norwegian flag, who put in for coal. This latter vessel was bound to Port Natal, where a company has been formed for the purpose of capturing whales off that coast. Many years ago St. Helena possessed her whalers, the last of which was owned by Messrs. Solomon, Moss, Gideon, and Company. This was in 1875. The vessel was manned chiefly by St. Helenians. Sperm whales are found a few days' sail from St. Helena, and the "right" whale even nearer to the Island. It is to be regretted that the capital is not forthcoming for St. Helena to equip a whaling fleet of three or four vessels, and so give employment to a large number of boatmen who are now "loafers" through no fault of their own. Seventy or 80 per cent, of these men have served on board American whalers, and several of them have great experience in whaling work.

### III.—LEGISLATION.

Six Ordinances were enacted during the year. Those calling for comment are: -

No. 1.—To amend the Sunday Ordinance No. 3 of 1849 by permitting shops (other than those for the sale of liquor) to be open on Sundays during the hours a mail steamer is in port. This Ordinance was enacted with the concurrence of the Lord Bishop and Clergy of the Church of England, and the Baptist Minister, in St. Helena. Since the Ordinance came into force there has been no abuse of the privileges granted. Only two mail steamers a month call at St. Helena—one outward, the other homeward-bound. The presence of these steamers in port are among the few occasions on which the shopkeepers of the Island have a chance of doing a little trade outside the local demand. The homeward-bound boat invariably arrives on a Sunday in spite of repeated representations to the Steamship Company on the subject. The outward-bound steamers arrive on a Monday or Tuesday, but as often as not after dark. Consequently the Islanders do not benefit from the mail steamers to the extent they might reasonably expect. The general depression in trade. and the fact that only 26 mail steamers call at the Island during the year (13 of which arrive on Sundays, and four or five of the remainder after dark), are the reasons which prompted the enactment of the Ordinance in question.

No. 5.—To amend Ordinance No. 7 of 1905, known as the Peach Fly Ordinance, by permitting fruit imported from South Africa to be landed without being liable to any penalty therefor. I came to the conclusion that it was no longer advisable to forbid the import of fruit from South Africa, looking at the great success which is attending the culture of fruit in that country. The peach fly was originally introduced into St. Helena from South Africa, but after four years' experience I am satisfied the Islanders, or at all events the present generation, will not move a finger to co-operate with the Colonial Government in its endeavours to eradicate the pest. The Government cannot do much by itself owing to the lack of funds necessary to provide for paid inspectors under the 1905 Ordinance. In any case, the amount of fruit imported from South Africa into St. Helena is infinitesimal. There was one prosecution under the Peach Fly Ordinance during the year under review.

No. 6.—"The Road Tax Ordinance," to provide for an annual road tax of 3s. upon every male person, if resident in the Colony for at least six months, between the ages of 18 and 60 years, with certain exceptions to be at the discretion of the Governorthe Ordinance only to become operative on a date to be notified by the Governor by Proclamation. The Ordinance was not brought into operation during the year under review.

There was one Proclamation issued during the year relating to the Game Season.

### IV.—EDUCATION.

With the exception of the Benevolent Society Schools, a general improvement was manifest during the year under review in the Island's schools. The number of schools remains at nine, three being Government institutions. The Inspector of Schools (Canon Porter) reports well on these three schools, and especially on the Senior Government School in Jamestown. Of the non-Government schools Canon Porter reports most favourably on the Hussey Charity Schools at Hutt's Gate and Blue Hill. In fact, the Inspector states that the progress made during the year is more marked in the former school than in any other. Previously this school had been worked on the old system, and its annual reports had been generally indifferent. Now, however, ancient methods have been abandoned, and the school has been brought into line with the Government schools through the work of the master, who has taken a proper advantage of the training obtained at the Pupil Teachers' Classes. In contrast with the advance made by the Hutt's Gate Schools are the two Benevolent Society's schools. Canon Porter reports that a radical change must be effected if good work is to be done in these schools during the ensuing year.

The aggregate number of children attending the schools during the year was 665, as compared with 634 in 1907. The schools were under the same teachers as in the previous year, and, with the exception of the two cases referred to above, the Inspector reports the work as being quite satisfactory, and, in more than one of the schools, excellent. He further states that the methods of teaching introduced a few years ago have "caught on" and are more or less in general use, and that such methods are being developed even in schools where the teachers have not had the advantage of modern training. In connection with the improvement in educational methods now being developed and extended is oral teaching, which plays so large a part in the enormous difference between the old system and the new. Coupled with this is the object lesson, which is becoming more frequent, and is gradually being added as a general subject in the syllabus of each school. Canon Porter further adds that the improvement shown is also due to the attention given to the matter by the Board of Education and the requirements and regulations put forth by that body from time to time.

I place great importance on the teaching of simple hygiene to the children. The subject receives very careful attention in the Government schools, and my Colonial Surgeon lately satisfied himself that the system adopted to teach the children the importance of cleanliness in their persons and sanitary habits in their houses and living was satisfactory and based on sound ideas. I am in hopes that in time the subject referred to may be considered equally important by those responsible for the teaching in the non-Government schools.

The Pupil Teachers' Classes continue. They have now existed for three years. The six Government pupil teachers passed most

creditable examinations during the year under review, as did one pupil teacher from a Church school. This latter fact is an improvement on former years, being the first case of a non-Government pupil teacher attending the whole course of examination. The disinclination of the majority of the non-Government pupil teachers to take advantage of improving their knowledge free of cost is entirely to their own loss, and, further, their ignorance only retards the work of education in the schools in which they pose as teachers.

Towards the latter half of the year the female pupil teachers and the senior girl scholars in the Government schools attended special classes under Miss Girdwood in fine needlework. These classes are very popular, and will be a great factor in contributing to the future development of the Government Lace School.

There were 35 prosecutions, resulting in 33 convictions, during the year under review under the Education Ordinance for nonattendance. The figures in 1907 were 25 and 19 respectively.

The expenditure on education during the year amounted to £645, as compared with £623 in the previous year. The usual grants of £30 and £25 were paid to the Benevolent Society and Hussey Charity respectively towards the maintenance of their schools. The former sum was not well earned, and I have made it plain to the management of the Benevolent Society that unless a higher standard of excellence is reached in future I shall be compelled to recommend the grant being withdrawn.

The absence of any provision for giving the children of St. Helena the benefits of technical education is badly felt. The outlook for the Island boys when they leave school is not an alluring one. This absence of technical education accounts for the lack of skilled workmen among the Islanders. I am inclined to the growing opinion that to give poor children much book teaching cannot materially benefit them. Wise parents look upon education as a means which will enable their children to earn a livelihood when the time comes for those children to go out into the world. The form of education wanted in St. Helena is to confine book teaching to the three R's during a short part of the day, the rest of the day being taken up entirely in technical education. Domestic economy for girls, carpentry and other trades for boys. The artisan and labouring classes do not benefit to any useful extent by learning history, geography, grammar, &c. All they require in that line is to read, write, and have a knowledge of simple arithmetic. Their real education lies on the industrial side, which will allow them when they grow to man's estate to go out into the world and find employment. Under present conditions in St. Helena, owing to lack of funds, the outlook of the Island youth is a very gloomy one. He is precluded, owing to want of opportunity, from fitting himself for leaving the Island in order to earn a living. It will he a great day for St. Helena when funds are forthcoming to give the benefits of technical education to the Islanders, and so allow the rising generation to become useful citizens of the Empire. The form of education now given in the Island is most useful, chiefly in its moral and disciplinary sense, but it does little towards fitting the youth of the Island to take its place in the great workshops of the world.

## V.-GOVERNMENT INSTITUTIONS.

## (A.) HOSPITAL.

There were 137 admissions into the hospital during the year under review, being an increase of 23 over 1907.

There were 11 deaths among the patients as compared with four in the previous year. In seven instances out of the eleven the patients were suffering from hopeless disease on admission. Three of the deaths were due to accidents. Only one case of enteric fever was admitted to the wards, as against 12 in the previous year. Only two cases in all occurred in the Island during the year. Ten cases of diphtheria were treated in the hospital during the same period. Most were mild cases, and all recovered owing to being treated in the early stage with serum.

One thousand and sixty-six out-patients were treated during the year under review.

It is with great regret that I have to record the death, on the 23rd September, 1908, of Miss J. A. Ormerod, a member of the nursing staff. The cause of death was pernicious anæmia. Miss Ormerod had nearly completed two years' service in the Colony. The Colonial Surgeon reports that Miss Ormerod always evinced a zealous devotion to her work, a high sense of duty, and unselfish thought for her patients. Miss E. Stuart completed her extended period of engagement on the nursing staff and left the Colony in May of the year under review. Her place was taken by Miss E. E. Harris, who arrived in the Colony in April. The vacancy caused by the death of Miss Ormerod was filled by Miss K. L. Woodward, who took up her duties at the end of December. Both the ladies named were sent out by the Colonial Nursing Association, which Association has again, in each case, generously contributed towards the upkeep of the staff. The work in the wards owing to the unusual number of serious cases was such as to place a severe strain on the energies of the nursing staff, and much credit is due to the Lady Superintendent and her col-Jeagues for the cheerful and successful manner in which they performed their duties under frequent difficulties.

## (B.) SAVINGS BANK.

There were 145 depositors in the Bank's books at the end of the year under review, as compared with 138 in the previous year. This increase was due to Islanders employed in the Port Nolloth mines opening accounts through their relatives in St. Helena. Some of the oldest depositors closed their accounts on leaving the Island during the year, taking away over £1,700 between them.

The total deposits for the year amounted to £2,241, an increase of £797 over 1907. Although there is no doubt the economic situation in the Colony showed a decided improvement during the year under review as compared with the previous year, especially where the country districts were concerned, this increase of deposits is hardly connected with that improvement. The increase referred to was almost entirely due to two deposits—one amounting to £450 being in connection with the sale and conveyance of property—one depositor, the seller, transferring on paper the amount named to another depositor, the buyer, the amount withdrawn in this case being equal to the amount deposited. The other case was that of a resident legatee, who received money from abroad and had not before been a regular depositor.

The withdrawals for the year amounted to £4,871, being an increase of £1,318 over the previous year. In the withdrawals is included the £1,700 referred to above. Expenditure in connection with placing lands under flax accounted for a large number of withdrawals.

The Bank's revenue for the year was £664, and the expenditure £508, showing a profit on the year of £156. The profit in 1907 was £193.

On the 31st December, 1908, the amount to the credit of the depositors was £17,532 exclusive of interest for the year.

## VI.-JUDICIAL STATISTICS.

## (A.) CRIMINAL STATISTICS.

Supreme Court.—Only one case was sent for trial before the Supreme Court during the year under review.

Police Court.—One hundred and twenty-two cases came before the Court during the year, of which 13 resulted in acquittals. Seventy-three of the cases were civil offences, including 33 under the Education Ordinance and one under the Peach Fly Ordinance. There was no prosecution during the year under the Juvenile Smoking Prevention Ordinance. At the same time it is an undoubted fact that the Ordinance in question has practically put There were two an end to juvenile smoking in St. Helena. prosecutions under the Liquor Licensing Ordinance. A parent was fined for sending his child, aged 12, to a public-house for intoxicating liquor; and the seller was fined for supplying liquor not in a sealed vessel to the child for consumption off the premises. Although the total number of cases dealt with by the Police Magistrate during the year under review was 16 in excess of the number in 1907, the number of criminal cases was 21 less than in the previous year.

## (B.) PRISONS.

Thirty-eight prisoners were committed to the gaol during the year as against 45 in 1907. The daily average number in gaol was 0.8, as compared with 1.16 in the previous year. This average will increase during the next few years, as a prisoner was sentenced to five years' penal servitude during the year under review. For the six years I have been in St. Helena the daily average number of prisoners in gaol works out at 2.6. health of the prisoners and the sanitary condition of the gaol were alike excellent during the year. The cost of maintaining the gaol for the year was £117 5s. 3d., being £5 4s. 9d. less than in 1907. The average cost of maintenance for the six years ending 1908 was £156 17s. 2d. The Overseer of Prisoners, Alfred Hall, retired on pension at the end of the year on account of age. The post in question has been abolished. The Zulu prisoners continue to be quiet and orderly. Two of their number died during the year under review, one from tubercle of the lungs and the other from heart disease. Both the deceased were practically on the sick list from the date of their arrival in the Colony in June, 1907. The total cost of maintaining the Zulu prisoners for the year under review amounted to £923 odd, which cost is met by the Natal Government.

## (C.) POLICE FORCE.

The police force continues to perform its duties to my satisfaction. Although the number of offences noticed by or reported to the Magistrate or to the police was 10 more than in 1907—the numbers being 203 and 193 respectively—crime continues on the decrease. The increase in the number of offences was entirely due to purely civil cases. The civil cases numbered 73, as against 54 in 1907. These civil cases resulted from summonses issued for non-payment of rates, taxes, Government and other rents, drainage and water claims, and offences under the Education Ordinance. Only 49 criminal cases were dealt with by the Police Magistrate in his Court. The remainder, 81 in number, were of a trivial nature, and were dealt with by the police. There were no cases of flogging during the year under review.

## VII.—VITAL STATISTICS.

## (A.) POPULATION.

The estimated civil population amounted to 3,517 on the 31st December, 1908. There were, in addition to that number, 23 Zulu prisoners, two Natal warders, and the crew of a sailing vessel in port, numbering 16. This brings the total population on the last day of the year to 3,558. An increase of 32 will be noted in the civil population as compared with the previous year, notwithstanding the fact that the emigrants exceeded the immigrants by 18, the numbers being 72 and 55 respectively. The increase in

population was due to there being 84 births (not including four still-born) as against 34 deaths.

The births showed a marked decrease as compared with 1907. There were 88 births, including four still-born, as against 134 (four still-born) in the previous year. This decrease is partly accounted for by the fact that many married men left the Island in June, 1907, for the Namaqualand copper mines. I regret to state that during the year under review there were, excluding still-born children, 27 illegitimate births out of the total of 84, as compared with 32 out of 130 in 1907. This large increase in the percentage of illegitimate births is somewhat remarkable and upsets all calculations, looking at the fact that it is well over two years since the garrison was withdrawn from St. Helena, and it has always been a firm belief that the presence of troops in the Island accounted for a large number of illegitimate births. Taking the last six years, the percentage of illegitimate births to the total number of births was:—

29·3 in 1903, 32·1 in 1906, 20·3 in 1904, 24·6 in 1907, and 32·1 in 1908.

The death-rate among the civil population was practically the same as in the previous year, being 9.6 per thousand, as against 9.4 per thousand in 1907. There were 37 deaths in all, including two Zulu prisoners (who both arrived in the Colony in June, 1907, suffering from organic diseases) and one seaman who was landed and admitted to hospital in a dying condition. This leaves 34 deaths among the civil population, as against 33 deaths in 1907. Among the deaths during the year under review were four due to accidents, one leper, and one lunatic. No less than 13 of the deaths were of persons over the age of 70, nine of whom were over 80. Only two deaths occurred in the Longwood district in a population of about 430, the ages of the deceased being 72 and 95 years.

Nineteen marriages were solemnised during the year, being an increase of two over the previous year.

## (B.) PUBLIC HEALTH.

The low death-rate among the civil population of 1907 was repeated during the year under review, being only 0.2 per thousand in excess of the former year.

As regards the healthfulness of the different districts in St. Helena, it is worthy of note that there were only two deaths during the year under review in the Longwood area. The ages of the deceased were 95 and 72 years. These two deaths work out to a death-rate for the district named of under 0.5 per cent. of the population for the year. The Colonial Surgeon suggests that this tends to dissipate an idea that has long prevailed among prejudiced persons regarding an historic spot, namely, that Longwood was chosen by a malign British Government of days gone by on account of the insalubrity of its climate, and therefor a fitting place of residence for Napoleon. Dr. Arnold hazards the opinion, which I too share, that taking it all round

there exists no healthier spot than Longwood on the face of the one occasion during the year under review. I appointed a Board earth.

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of enteric fever in the Island during the year under review. The source of infection could not be traced in either case. Twenty cases of diphtheria were noted, a few of which were in the country districts. There was, however, ground for belief that the contagion was incurred in Jamestown, where most of the cases occurred. There were no fatal cases. There were two deaths from tubercular disease among the Islanders, one from acute tuberculosis and the other from tubercle of the lung of some years' standing. A death from leprosy was registered during the year, that of a man aged 58, who had suffered from the disease for many years. A grand-child (aged seven years) of this man has developed the disease, and the question of taking measures to isolate this and any further cases that may arise is under consideration. The Colonial Surgeon remarks that "Isolated cases of leprosy have apparently existed in St. Helena for many years, but the disease has never shown a tendency to spread. It is probable that, were all the circumstances known, the element of infection has been the connecting link between them all."

In the month of May four cases of measles occurred in a household at Longwood. The family had only recently arrived from Europe, and the children had received the contagion on board ship. On the recommendation of my Colonial Surgeon, the school in the Longwood district was closed for a short period, and no further cases occurred. Dr. Arnold puts down this happy confining of the disease to the original four cases as being no doubt chiefly due to the large numbers of protected children who have been immunised by the epidemic of 1905.

## (C) SANITARY.

Evidence was forthcoming during the year that the drainage and water systems were not working altogether satisfactorily. In several instances blocks in house drains, and in some cases in the main sewer, were found to be traceable to the very careless use of sanitary fittings by a large number of householders who consigned to water-closet pans and gully traps articles (including clothing, nails, etc.) which were never intended to be placed there. This practice was calculated to cause serious damage to the drainage system. The reappearance in Jamestown of diphtheria during the years 1907 and 1908, after an absence of that disease for a decade and a half, has, in Dr. Arnold's opinion, a more than possible connection with the frequent blocks in house drains and sewers. At the same time, Dr. Arnold remarks that "It is to be noted that many good authorities deny that defective drains can have any connection with the prevalence of diphtheria."

Shortage in the water supply of Jamestown, on the occasion of water being supplied to the shipping, occurred on more than

of Inquiry to investigate the causes of this shortage. The Board As stated previously in this Report, there were only two cases went thoroughly into the matter, and reported that (a) the supply of water from the springs has not diminished during recent years; (b) that the recent shortage of water was caused by preventable waste by the Jamestown householders; (c) that there was no reason to suppose that there is any leakage or waste from the underground mains; and (d) that there is little or no waste from the pipes connecting the springs with the collecting tanks. The Board recommended the advisability of providing an additional storage tank of, say, 10,000 gallons at the top of Jamestown. Unfortunately funds are not available to carry out recommendation in which I concur. As soon as the first shortare of water was brought to my notice, I, in addition to appointing a Board of Inquiry, appointed the members of the Police Force and the Government plumber to be assistant sanitary inspectors, the Board having recommended such a course at their first sitting. Since taking that action no shortage of water has been reported. Both the abuse of the drainage system and the wastage of water was due to the crass ignorance of five-sixths of the Jamestown community.

## (D.) CLIMATE.

### Hutt's Gate.

Barometer.—Mean pressure, 28:134 inches. Temperature .-

			1908.	1907.
Mean	511	***	58.8°	60.9°
Absolute maximum			75·0°	76.0°
Absolute minimum			50.5°	49.90

Rainfall.—The total rainfall was 39.32 inches, as against 11 04 inches in the previous year. The heaviest fall took place on January 27th, and amounted to 1.22 inches. It rained on 274 days, as against 276 in 1907. Rain fell on every day in November, although the total fall for that month was only 3.92 mehes. The heaviest record for one month was in August, when 6.19 inches fell on 27 days of rain.

Wind.—Mean force was 2.4, or 14 miles per hour. The mean force varies but little from year to year. The windiest months worn August and November. On the 19th of the latter month a speed of 38 miles per hour was recorded.

Table of direction : -

AT THE COUNCE	-				
S.S.E.				***	197 days.
S.E.				***	141 ,,
E.S.E.		***	***		14 ,,
S	4.7	4.6.4		***	8 ,,
E.N.E.	977	***	***	***	1 day.
Calm		222	***		5 days

#### Jamestown.

## Temperature.

				1908.	1907.
Mean	44.0	***	444	71.9°	72.8°
Maximum		***	***	80.0°	81·0°
Minimum				65.0°	65.0°

### Rainfall .-

	1908.	1907.
Total for year		11.50 ins.
Number of rainy days	. 86	107
Maximum fall	. 0.42 ins.	0.71 ins.

June was the wettest month with 1:30 inches on 15 days or rain.

#### Private Stations.

### Rainfall.

### Oakbank: -

	Total fall Number of rainy days	1908. 40.85 ins. 238	1907. 50.06 ins. 237
St.	Paul's Vicarage:		
	Total fall Number of rainy days	29.81 ins. 134	39.91 ins 181

# VIII.—POSTAL, TELEGRAPH, AND TELEPHONE SERVICES.

## (A.) POSTAL.

Revenue.—The postal revenue for the year amounted to £1,290 0s. 3d., being an increase of £731 4s. 5d. over the receipt for the previous year. This large increase was almost entirely due to the sale of stamps to non-resident stamp collectors, consequent on the Colony issuing four new values of stamps, namely,  $2\frac{1}{2}d$ . 4d., 6d., and 10s. during the year under review. No less that £1,201 9s. 1d. of the total revenue resulted from the sale of stamp and post-cards, £776 16s. 3d. of which was paid by non-residents In 1907 the value of stamps sold to non-residents wa £176 11s. 2d., or £600 odd less than in the year under review.

Expenditure.—The expenditure for the year amounted to £409 5s. 1d., being £81 2s. 4d. in excess of the expenditure for the previous year. This excess was chiefly caused by the cost of the dies for the four new values of stamps referred to above and for the printing of same. There was also an increase, as compared with 1907, on the amount paid in commission (2½ per cent to the Postmaster and Chief Clerk on stamps sold to non residents.

Mail matter.—Only 16 insured letters passed through the Post Office during the year under review, and 3,256 registered articles during the same period, being increases of 14 and 1,914 respectively as compared with the previous year.

Exclusive of insured and registered articles, the following figures give the number of letters, post-cards, parcels, &c., despatched from the Colony during the year under review and the previous year:—

1908 ... ... 45,187. 1907 ... ... 39,585.

This increase was in the main due to the Second Cruiser Hquadron, consisting of His Majesty's ships "Good Hope," "Devonshire," "Antrim," and "Carnarvon," despatching their Christmas mail from the Colony.

One hundred and sixty-six bags of mails and 1,727 parcels were received from the United Kingdom during the year, being decreases of 16 and 64 respectively as compared with 1907.

From South Africa 57 bags of mails and 318 parcels were received, as against 57 bags and 530 parcels in the previous year.

The mail despatched to the Island of Tristan da Cunha in Heptember, 1907, was duly received. In June of the year under review a mail was despatched to the island named in the American whaler "Canton." The receipt of this mail has not yet been notified.

Money and Postal Orders.—There was an increase of £820 on the total Money and Postal Order transactions during the year under review as compared with 1907, the amounts being £6,710 and £5,890 respectively. A marked preference for Postal Orders over Money Orders as a means of remitting money was shown by the Islanders. Commission on Orders during the year amounted to £59 11s.  $4\frac{1}{2}d$ ., being an increase over the figures for 1907 of £18 2s. 7d.

The commission charged on Money Orders was raised during

the year to all countries as follows:-

The D						From.		To.	
						S.	d.	S.	d.
Sums	not excee	eding £	2 .			 0	6	0	9
**				exceeding	£5	 1	0	1	3
11	,,	£5	,,	,,	£7	 1	6	1	9
11		£7	,,	,,	£10	 2	0	2	6
	,,	£10	,,	,,	£20	 4	0	5	0
11	,,	£20			£30	 6	0	7	6
19.	33	£30	,,	,,	£40	8	0	10	0
11	"	200	,,	,,,				1	-

Parcel Post Rates.—The following reductions in parcel post rates to the countries mentioned came into force in August of the year under review:—

						From		To	
Southern Rhodesia	per	lb.	22.	***	***	2	8	1	11
Orange River Colony Transvaal	,,	,,				1	4	0	11

General.—The Post Office Tariff of the Colony has been printed in pamphlet form. Previous to 1908 the Tariff was contained in

various local notices and notices issued by the General Post Offic in London, which system was a most difficult one for both official and the public to refer to.

COLONIAL REPORTS-ANNUAL.

## (B.) TELEGRAPHS AND TELEPHONES.

a staff of 36 employees, being an increase of six over the previou vear.

expense of a few individuals continues to work satisfactorily.

## (C.) SIGNAL STATIONS.

The signal station at Ladder Hill is the only one maintained the salary of the signalman being paid by Lloyds.

## IX.—GENERAL OBSERVATIONS.

### (A.) ROADS.

An Imperial grant-in-aid of £360 allowed of the chief rural ment flax mill at Longwood. In connection with these repairs i was found possible to lay down about sixty under-road drains to take the place of the wheel-breaking surface drains which had unpland. previously existed. The more modern type of drain has proved most efficaceous in preventing to a great extent the excessive damage formerly caused to the roads in a hilly country where heavy and continuous rains are very prevalent.

Towards the end of the year under review a "Road Tax Ordinance" was enacted, but did not come into operation during the year. Particulars as to this Ordinance are given earlier in this Report under the head of Legislation.

streets of Jamestown in repair.

## (B.) LAND GRANTS AND GENERAL VALUE OF LANE.

year. Three transfers of land took place, and only one grant of one acre to a small holder.

The rents collected during the year amounted to £808, as compared with £799 3s. 10d. in 1907.

## (C.) RATE OF WAGES AND COST OF LIVING.

The rate of wages and cost of living remained as in 1907 Meat and vegetables were cheap, and consequently those who were fortunate enough to earn a regular wage were nearly as well off as in ordinary times. There was less begging than in the previous year, but sufficient to cause anxiety. This especially

ofers to the poorer classes in Jamestown, who do not of course benefit from the flax industry as does the country community. In the other hand, many families in Jamestown, where the girls the family were honestly anxious and ready to earn a liveligood and become useful members of the community, benefited in no small degree by the establishment of the lace industry.

## Telegraphs.—The Eastern Telegraph Company now maintain D.) PUBLIC WORKS OF IMPORTANCE CARRIED OUT IN WHOLE OR PART DURING THE YEAR.

One thousand four hundred and twenty pounds was expended Telephones.—The limited telephone system maintained at the luring the year under review under an Imperial grant allotted o the Colony to cover the cost of the laying of a new three-inch autiron water main from Well's Gut to the Government Flax Mill at Longwood, the old two-inch lead main having been in for close on a hundred years. The cost of laying the new main, together with erecting storage tanks at the intake, is proving to be a very much more expensive job than was contemplated by Sergeant Willoughby, R.E., who drew up the original intimate of cost. In fact, the total cost will be about double Aurgeant Willoughby's figures. The work, too, has occupied conadderably more time than was at first anticipated. Many unforemon difficulties have had to be met, and the completion of the work will not take place until well into the current year. The work of laying the new main is entirely under the supervision roads and bridges being kept in fair repair. Attention was chiefly the War Department Land Agent in this Colony, Honorary paid to those roads used in the transport of leaves to the Govern-Major Michie, late Royal Engineers, who consented, with the Army Council's permission, to undertake the work, thereby miving the necessity of engaging the services of an expert from

## (E.) DEPARTMENTS AND INSTITUTIONS.

With the exception of the Public Works Department, all the other Departments requiring notice have already been dealt with in this Report.

The total expenditure of the Public Works Department during he year under review amounted to £1,169, being a decrease of IIII as compared with the previous year. The state of the Colony's finances would not allow of any special work being Sixty-five pounds was expended during the year in keeping the undertaken. Efforts were entirely confined to preserving ordinary efficiency. The maintenance of the rural roads and bridges is carried out by the department referred to, but the comt thereof was covered by an Imperial grant. The department's The value of land remained about what it was in the previous expenditure, outside the maintenance of country roads and the laying of a new water main from Well's Gut to Longwood, was remained to works recurrent. The following are the figures for the years 1907 and 1908 under the most important sub-heads:

			1908.	1907.
			£	£
Buildings	4	***	376	394
Scavenging, Jamestown			103	111
Forests and gardens		***	137	139
Water supply			175	199
Jamestown streets	440	***	65	59
Repairs to Plantation	300		25	26
The state of the s				

The Colonial Government early in the year took over the follow proper sense of that term. He has to depend, as of yore, on lowing properties from the War Department:-

1. The Sanatorium, Red Hill.

2. The Ladder.

3. Upper and Lower Lines, Jamestown.

4. The Mess House, Jamestown.

5. R.E. Offices and Workshops, Jamestown. 6. No. 1 Staff Officers' Quarters, Jamestown.

7. Three Stores on the Wharf, Jamestown.

Of the above, No. 4 is used by the Government Lace School, ar No. 5 is occupied by the Public Works Department. The ac quisition of this latter property has added much to the comfor Hation. of both officials and artisans.

#### Poor Board.

The revenue of the Poor Board for the year amounted £800 13s. 4d., and the expenditure to £790 1s. 4d., as compare with £799 and £798 respectively in 1907.

#### Public Market.

market for the year was £105 as compared with £80 in 1907 during the last few weeks of 1908. and the expenditure £70 as against £85 in the previous year wiping off of the £5 deficit incurred in 1907.

## (F.) MISCELLANEOUS.

The establishment of an industry which allowed St. Helen to make an encouraging start in the export of a valuable produc is alone sufficient to mark the year under review as one to b remembered in the Colony's history.

The economic situation in 1908 showed a marked improvement over that of the previous two years. Unfortunately, however, the benefits accruing from the fibre industry were confined almost entirely to the country districts as far as the labouring classe were concerned. The rural population can look back upon 190 as a good year. Not only was there a considerable demand for labour in connection with the fibre industry, but numbers of men were employed for most of the year on the works in connection with the repairs of the roads and the laying of the new water main in the Longwood district. Taking it all round the pinch of poverty, which was very apparent in 1907, was almost non-existent during the year under review in the country dis tricts. The same cannot be said of Jamestown. As I have state on other occasions, the Jamestown man cannot compete with hi brethren in the country as an agricultural and road labourer in

the shipping as the chief source of gaining a livelihood. His existence is therefore a very precarious one in these days when shipping appears almost to avoid calling at St. Helena. fact, one wonders at times how many of the poorer families in Jamestown manage to exist. Their greatest hopes lie in the Visits of His Majesty's ships. Last year those visits were usually numerous, no less than nine British war-ships having called at the port of Jamestown during that period, eight of the number during the last quarter of the year. Among the ships referred to wan H.M.S. "Hermes," flying the flag of Vice-Admiral Sir E. S. Pol, K.C.B., K.C.V.O., R.N., Commander-in-Chief of the Cape The "Hermes" arrived in March, and remained at He Helena for a fortnight. The Second Cruiser Squadron, constating of four large vessels, under the command of Rear Admiral (now Vice-Admiral) Sir Percy Scott, K.C.V.O., C.B., LL.D., ILN., paid a few days' visit to the Island in November. These wints and those of several other war-ships saved the situation as far as the Jamestown community was concerned. The praction and sympathetic interest taken in St. Helena by Sir Edmund Poe prompted him to remain in port for what was a lengthened stay for a flag ship in these days. His action was greatly appre-A decided improvement marked the management of the market minted both by the Colonial Government and by the community during the year under review. The new Committee succeeded monorally, as was the action of the Admiralty in arranging that in converting a debt of £5 into a credit of £35 during their ning the Second Cruiser Squadron should visit St. Helena on its way months of office. The Local Auditor reported favourably on the back from South Africa. It is some years since the Jamestown manner in which the accounts were kept. The revenue of the community saw so many British war-ships in port as was the case

St. Helena is fortunate in having found a friend and sym-The expenditure for the year under review (£70) includes the pathiser in Mr. A. Mosely, C.M.G. This gentleman arrives in the Colony in a few days' time with a view to, if possible, establish a vegetable and fish canning factory in Jamestown. Mr. Mosely has expressed his intention of advancing the necessary funds to finance This gentleman's generous action is warmly apthe scheme. plauded and appreciated by the Islanders. His offer to help

Ht. Helena in its need came as a veritable bolt from the blue, and being unexpected was all the more welcome. Mr. Mosely has pand fleeting visits to St. Helena in the past on his way to and from South Africa, and it appears that he was struck by the unused possibilities of the Island. His sympathies, too, go with a people who are, as it were, cut off from the world, and who therefore are not in a position to participate in modern developments of methods and trade. It is, as Mr. Mosely asserts, almost impossible for an isolated island to develop anything without outside assistance. History points to this fact. I am in great hopes Mr. Mosely's expectations may be fully realised, and that before long the fish-curing industry will be established in the Island. Unlike the fibre industry, the establishment of a fishouring factory would directly benefit the Jamestown community. A factory that will take all the fish brought to it cannot but go a long way towards restoring to Jamestown many of the benefits

unjoyed by the community thereof when St. Helena was a port

of call for shipping. I am inclined to think that success should attend the fish-curing scheme, although it has yet to be proved

by an expert whether the fish in St. Helena waters are for the most part local or passing fish. An expert on fisheries, Mr. J. 1 Cunningham, accompanies Mr. Mosely, and will go thoroughly into the matter. I am not very sanguine as to the canning of vegetables proving to be a practical scheme—there is such very limited area of good cultivable land in St. Helena. In 188 Sir D. Morris reported that of the 28,800 acres of which St. Helena consists no less than 20,000 acres were totally unfit for agricultural purposes. Of the remaining 9,000 acres, a fairly large area is under flax (phormium tenax), whilst the balance chiefly consists of grazing lands. Putting aside, however, the limited amount of land available for vegetable cultivation, the how rates of passage money between St. Helena and South greatest difficulty to be encountered in St. Helena by every agri- Vrica during the year under review, and made a slight reduccultural industry is the question of transport. This difficulty has non towards the end of the year in those rates between England seriously handicapped the success of the fibre industry. Distant St. Helena. The Company's freight rates, however, are almost tances are exaggerated owing to the abnormally hilly nature of mobilitive between St. Helena and South Africa and St. Helena the country. It is entirely the transport difficulty which pre- and Ascension. For instance, for a voyage of 60 hours to Ascenvents the aloe fibre industry being established. Turning again the Company charge 60s. a head on cattle, and 20s. a ton to the proposed cultivation of vegetables for canning purposes, when 10 per cent. primage on general cargo. To and from South the price paid for such vegetables is very low (from 8d. to 10d. Africa the charge on general cargo is 40s. a ton, plus 10 per cent. per 60 lbs.) and a profit can only be made by producing large primage, and the voyage only takes from 5½ to 6 days. quantities of the article. Now, the factory must be in James- With the very best of intentions, certain of St. Helena's wellbeing wise in time, will rise to the occasion.

An Industrial Exhibition, on a modest scale, of lace, needlework, seed work, and other handicrafts was held in March of the year under review, under the auspices of the late Lace-making Association. Great credit is due to the Honourable H. W. Solomon. Miss Moody, and those other ladies and gentlemen who formed the committee which managed the exhibition. Most of the exhibits were sent to England, and were on view for a few days at Caxton Hall. I am afraid that exhibiting the work of

oginners outside of the Colony was somewhat premature, and gread no really useful purpose except perhaps to gain some symonthy for the Islanders in their efforts to start the lace-making adustry. The Right Honourable the Secretary of State for the Colonies opened the Exhibition at Caxton Hall, on which occa-In His Lordship's sympathetic references to St. Helena were qually appreciated in the Colony. Mrs. Ord Marshall took inlaite pains in arranging the exhibits, and doing all she could a further St. Helena's interests.

The Union-Castle Steamship Company considerably reduced

town, and it would be quite impossible for growers to deliver wishers in England have allowed their enthusiasm in the their produce at the factory, anything from four to eight miles colony's cause to overrun their better judgment by prompting away, across a hilly country, at the price named. Fortunately them to claim for the Island advantages as a holiday resort the question of transport does not affect the fish-curing scheme, which it certainly does not possess. The most alluring induceas the fish could be delivered to the factory almost direct from ments are being held out by these people through the columns of the boats. The Islanders can only await events, and trust that the English newspapers as to St. Helena's advantages as a holimuch good will come out of Mr. Mosely's praiseworthy efforts to day report. Among the advantages claimed are a splendid help St. Helena in her time of need. Should the vegetable can-elimate, cheap hotels and boarding-houses, comfortable houses ning scheme prove to be impracticable, I have no doubt a man at a low rent, &c., &c. They even go so far as to state that St. of Mr. Mosely's energy and wide experience will formulate Halana possesses "some of the finest golf links in the world!" another scheme to take its place. That gentleman's arrival is the kind thought which prompts St. Helena's well-wishers in looked forward to with intense interest and expectation. Looking tandard to promote the Colony's interests is fully appreciated, at the struggle the Colony has been making during the last two but it is generally recognised that more harm than good must or three years against adverse circumstances, it can be well from misrepresentation, for such misrepresentation can understood that the advent of Mr. Mosely, with a view to putting and load to disappointment among any persons who might decide into shape his philanthropic schemes, will be hailed by the wait the Colony on the strength of the inducements held out Islanders as an event unique in their experience. At the same to them in the newspapers. It would serve the Island's interests time there is no doubt that Mr. Mosely will have to exercise better if only facts were stated. What are those facts? The plenty of patience in organising his venture. The unenthu- planta is very healthy, and, although in the tropics, that of the siastic nature of the Islanders will, I fear, prove a bar to quick highlands is very temperate and never too hot. There is not a progress. St. Helena fishermen particularly are, as a class, sadly small hotel in the Island, and the so-called boarding-houses in wanting in enterprise. It is, however, to be hoped that they, Jamestown might at a pinch accommodate half-a-dozen people. There are no boarding-houses in the country, where visitors would require accommodation. There are about six untenanted houses which could be leased at reasonable rents, half of which are of ther unfurnished or only partly furnished. "Some of the flood golf links in the world" must be taken as referring to the one golf course of nine holes, there being no suitable site for a mound course in the Island. I should be very pleased to see St. Holona become a health and holiday resort. If visitors were forthcoming boarding-houses would soon spring up. It is not to In expected, however, that such establishments will be started on

chance. As things stand at present, accommodation for mor than a very few visitors does not exist, and any persons proposin to visit the Colony would be wise to ensure beforehand that the accommodation they require is both suitable and available Visitors, too, must be prepared to find the Island somewhat dul There are few diversions by day and practically none by nigh In any case, the hilly nature of the country and uncertain weather conditions do not conduce to the comfort of night trave ling in St. Helena. Taking it all round, the Island's advantage as far as holiday and health seekers are concerned, lie almos entirely in its healthy climate.

In conclusion, I would observe that the Colony entered upo the year 1909 with great hopes that the improved state of affair set up in 1908 would continue; and, the Jamestown community he buildings were completed in November, 1907, and the machinery comprising particularly, that another industry would ere long be established in 13 II II.P. oil engine by Hornsby & Sons, one Booth Macdonald stripper, one which will prove as great a blessing to the town folk as the fibre metabor, and one fibre press, with all necessary shafting and pulleys, were industry is proving to the country community. The Islanders especially the Jamestown community, must, however, bring themselves to recognise that no industry can flourish unles "regular labour" takes the place of that "casual labour" upon which they have been content to rely in the past for a livelihood dantations were ready, but the distress of the inhabitants in parts of the I have no fear of the fibre industry suffering from want of efficient being acute, it was deemed advisable to commence operations as soon as cient and sufficient labour. I am, however, somewhat anxious on that point where the lace-making and fish-curing industries are making of water for the first nive or six months the concerned. The latter industry particularly, as, if established, worked about six hours a day, paying a little over working expenses. its maintenance will depend almost entirely on labour supplied of the Jamestown climate no doubt chiefly accounts for this unfortunate trait in the character of its people. Provided the Islanders wake up and are honest in their endeavours, I am confrom the doldrums through which she is now struggling.

H. L. GALLWEY,

Governor and Commander-in-Chief.

The Castle. St. Helena, 15th February, 1909.

### APPENDIX A.

PORT ON THE GOVERNMENT FLAX MILL FOR THE YEAR ENDING 30TH NOVEMBER, 1908.

In saviowing the first year's working of the Government Flax Mill, it would well to consider the difficulties to be encountered in establishing an industry a new colony, and although the dressing of phormium had been tried in Holona some years ago, the methods adopted were of such a primitive nature at the venture was a financial failure, and had to be abandoned.

The main mill buildings comprise two she's of wood and iron 60 ft. by It, and 30 ft. by 20 ft. respectively. There are also two wooden sheds th by 20 ft, each. One a fibre store, and the other a general store and office. stalled about the end of November, and the mill had a trial run on the 2nd of comber under Mr. C. J. Fulton and myself. The result being satisfactory, mill was formally opened by His Excellency the Governor a few days later.

When the amount of flax was first estimated it was doubtful if there was Missions leaf already grown to keep the mill working full-handed until the later maible, and only to mill sufficient to pay actual working expenses. There was an a shortage of water for the first five or six months, owing to unusually dry

4. The labour employed in the mill consists of 17 island men, who, although by the Jamestown community, the members of which com-many having seen anything of this kind before, adapted themselves to the work munity, with some exceptions, have come to regard casual labour an quickly, and in three months had bastered most of the details of handling as far preferable to regular employment. The enervating nature the flore in the various departments, which goes to prove that the poverty in the Island is not the result of idleness, and that the people will work if they are riven the opportunity.

1. Uwing to the reasons before stated, the mill has only dressed 1,056 tons of erean leaf during the year, returning 1194 tons fibre and 36 tons tow, resulting vinced that in three years' time St. Helena will have emerged in a grown revenue of £3,301, which, after deducting London charges and freight, have a sum of £2,849 for the benefit of the Island. The quality of the fibre would probably be equal to New Zealand G.F.A.Q., though the price has not ham as good as the New Zealand article of that grade is realising. Now come some of the difficulties of introducing an unknown article. In the first instance: during the first five months the mill worked, owing to the very large quantity of Manila fibre coming forward, and the fact that Manila fibre controls the market, the price of all other fibres fell in price, and phormium fibre fell something like Ill in five months. This was very serious for the new industry, as it meant a loss to the Island on the six months' out-put of something like £500. Then, amin, the fact that the St. Helena article is quite unknown, and has no grader to answer for it as has New Zealand fibre, was a factor acting against obtaining the highest price, and the quantity shipped is so small that it offers no chance for appendation as does the New Zealand article. These facts mean that At Holena must make a good article and take her chance of the market until the demand for phormium fibre increases. In my opinion it would be of great advantage to the industry to have the fibre graded in St. Helena, as merchants would know what class of fibre they were purchasing. This would mean that thay could probably offer a higher price for the fibre, as at present they can only pay a price that will pay for the risk of buying an article that they don't know any thing about. But so long as Manila fibre continues to come forward in such large quantities we cannot hope for much improvement in the phormium fibre market, aren under the best conditions as regards milling, with "Fair Current" Manila at about £24 10s., and New Zealand fibre at £25 a ton. This grade of Manila was until seven or eight months ago about £3 higher than New Zealand "Good Fair." This extraordinary position means that with New Zealand at £25 present, "Fair Current" Manila in the same comparison would be worth £2 so that we are realising a comparatively high price when we get £24 a ton foour fibre. At the same time I cannot help thinking that having the fibrigated by a competent man would assist its sale in London; and I would again advise the Government seriously to consider this matter.

6. As I stated in paragraph 3 of this report, it was questionable if there we sufficient leaf to keep the mill working constantly. This has turned out to be the case, and the mill will have to shut down for some months during 190 This may also affect the future sale of the fibre, as the merchants will get out of touch with the article. This, however, cannot be helped, as it would be a great mistake to cut the young flax too soon for several reasons. In the first place although the leaf may be of sufficient length in say two years, namely six of seven feet, it would not yield the quantity of fibre per ton of green leaf, so the miller would lose. Then, again, by leaving the plants another year the leaf would probably grow another foot or eighteen inches. This would mean considerably more weight per acre for the grower, so that this temporary stoppage cannot be avoided.

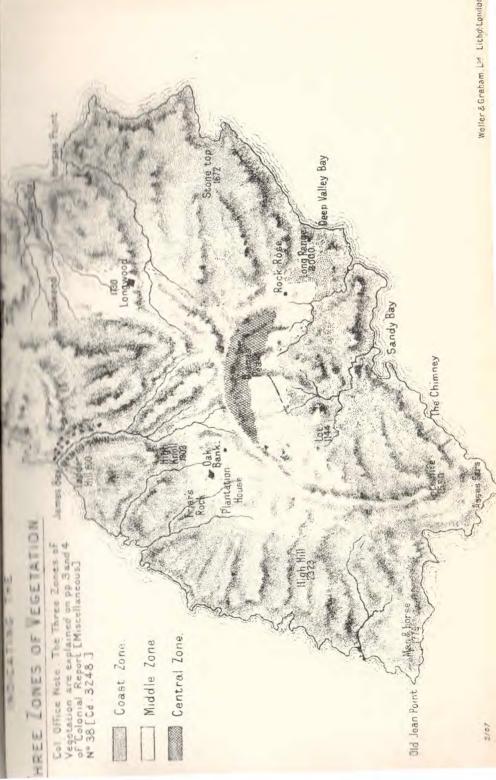
7. In regard to the local difficulties encountered in dressing the flax, they are no worse than in the Dominion of New Zealand, and can be met with equal succe The chief difficulty was a shortage of water. This is being overcome by having a new main laid. As regards the weather in relation to bleaching the fibre, an also the question of separating the different qualities of the leaf; these as matters that must be left to judgment and careful management by the manage as no possible rule can be laid down. Nothing but considerable experience i phormium milling will guarantee satisfactory results. Another local difficult (outside of milling) is the transport of leaf to the mill. This is a seriou matter, owing to the very hilly nature of the Island and I think that, now the growers have had some experience of this difficulty, more consideration might have been given in some instances to the question of future transport when planting flax. I quite understand the area available for growing flax is limited, at the same time some of the flax has been planted in places that at present prices would scarcely pay for the cost of cutting and getting it to the mill. Let us hope, however, that the price will improve, and with the aid of the indispensable donkey, the question of transport will be successfully met.

8. As regards the future of the industry in St. Helena, it has, in my opinion, a good outlook, for we must always meet difficulties in starting any industry, and these have been more or less overcome. Regarding the price realised for the fibre and tow, considering the market, we have reason to believe that the price will rise during the next few months as the consumption of Manila is keeping pace with the large production, and it is questionable if Manila is being dressed and sold in London for £24 10s. a ton at a profit. Again, nearly all expenses are proportionately heavier on very small shipments than on, say, shipments from 20 to 25 tons, and when we know that something like 3,000 tons of leaf a year will be available for milling in about three years, coupled with the cheap labour that is employed, I see no reason why the phormium industry should not have a prosperous future in St. Helena.

(Signed) A. W. HALL,

Mill Manager.

Government Flax Mill, Longwood, St. Helena, 7th January, 1909.



#### APPENDIX B.

REPORT ON THE GOVERNMENT LACE SCHOOL FOR THE SIX MONTHS ENDING 31st DECEMBER, 1908.

It was only when the lace industry was taken over by the Colonial Government in July, 1908, that anything in the way of organisation became possible. Previous to this everything attempted had been of an experimental nature—the results leading in many cases to disappointment, owing to want of training and stability on the part of the pupils.

The idea had firmly taken hold of the community that the "lace industry" was an unfailing charitable institution, an appeal to which would never be made in vain, so that one of the chief difficulties has been to impress upon the people that true kindness consists not in almsgiving, but in teaching them to help themselves. In consequence of pressure upon this point, the incorrigibly indolent and slovenly have gradually weeded themselves out, finding that unless they would take the trouble to conform to the standard required, lace-making did not pay.

In order that the prospective "weeling-out" should leave a sufficient number of good workers to carry on the school, all who wished to learn were accepted, as well as all the old workers who cared to return, so that everyone might have a chance. Thus on the 1st July the numbers stood at about 140. These increased during the month to 160, when further admittance was refused.

The establishment of a lace school under Government control has been a most important factor in whatever has been accomplished during the last six months, for the uncertainty connected with the late association prevented many of the better toned girls from joining. These have now settled down, secure in the belief that the school has "come to stay," and with Government authority and influence to back all attempts at reformation, progress became possible and was soon evident in the appearance and manner of the workers as well as the quality of their work.

The need, however, of careful and conscientious work as an equivalent for remuneration expected had to be instilled by degrees, and a complete re-adjustment of method upon strict principles of equity was absolutely necessary. Criticism and rejection of inferior work meant tearful workers and irate parents, who had to be compelled to see both sides of the question, but step by step the natural reasonableness of the Islanders has gradually asserted itself, and the pupils are now becoming not only painstaking, careful, and clean, but in many cases interested enough to experiment in small improvements to the benefit of their work. This interest is growing and proving a valuable aid in keeping them steady.

Judging by results of the experiments already referred to, it was seen best to develop the school chiefly on needlework and embroidery lines, with lace-making merely as a necessary adjunct until such time as the workers should be thoroughly trained to be neat and clean, and into habits of steadiness, regularity, and, above all, conscientiousness and thoroughness in the smallest detail. Thus there would be some foundation upon which to specialize later on if need be.

The needlework classes have shown that considerable talent has been lying dormant for want of development. The girls take readily to instruction, and the natural fascination of the work growing as they improve, they have without exception been able in a great measure to withstand the prevailing excitement of the last few months, and keep steadily to their work.

The financial success of the school depends largely on these workers, for the useful articles put out have found a ready sale, while the lace in itself would practically have no market at all. Therefore the necessity of keeping up a constant supply of needlework.

There has been great difficulty in getting the lace-workers to take their work seriously—with most, both adults and children, the idea has been that this is something to be taken up only "in their spare time," evenings, and odd minutes,

and just when they feel inclined. For business purposes this will never do, and it is also being found by degrees "not to pry," for these workers are not only unavailable for orders, but the quality of their lace cannot improve, hence they find themselves with their work useless to the school. And now they do understand that only work that is in demand can be paid for.

The number of those who now give up all or most of their time to this is on the increase, and thus orders will be much more rapidly executed. Hitherto the needlework completed in time for the mail has seldom been despatched until the one following, owing to want of the lace required. Unless general prosperity sets in very speedily there is no reason why the lace school should not continue to develop—but for this a continuance of private orders is, of course, necessary.

It is hoped that a fixed determination to be satisfied with producing nothing less than the best of its kind will in time give a character and tone to the St. Helena work which will of itself compel a steady demand.

The following figures give details of the progress made by the school during the first six months of its existence in training pupils:—

1st	July,	1908.	On re	oll: 160	
Reliable work	kers :	-			
Needlew	ork	***		3	
Filet				1	
Netting	***	***	***	1	
				-	5
Adult Lace-v	vorke	rs:-			
Town				2	
Country				2	
Children :-					
Town			***	19	
Country		***	400	3	
-				_	-26
	Total		***	111-	31

31st December, 1908. On roll: 100.

Reliable work		-		Jalan .	
Needlew	ork	200	***	12	
Filet			***	4	
Netting		***	***	2	19
Adult Lace-w	orke	rs:-			10
Town		***	***	3	
Country				10	
Children :-					
Town				24	
Country				10	
				-	47
-	T	otal	222		65

H. F. GIRDWOOD.

Manageress.

Government Lace School, St. Helena. 1st February, 1909.