

The total population of 261,117 includes the coloured population of the Territory, viz., 7,941, made up as follows:—

2,231 men; 2,140 women; and 3,570 children.

151. The following comparative table shows the distribution of the native population in the various magisterial districts (i.e., within the Police Zone):—

District.	Magistrate's Estimate, 1928.	Magistrate's Estimate, 1927.	Census, 1926.
Aroab.....	1,111	1,007	216
Bethanie.....	577	530	172
Gibeon.....	4,427	3,529	3,382
Gobabis.....	5,847	5,185	2,005
Grootfontein.....	16,614	10,701	31,576
Karibib.....	4,955	5,129	4,397
Keetmanshoop.....	7,764	7,231	2,701
Luderitz.....	7,490	7,101	2,155
Maltahöhe.....	1,151	1,027	415
Okahandja.....	8,618	8,900	4,560
Omaruru.....	6,970	6,000	5,195
Otjiwarongo.....	8,837	4,706	4,076
Outjo.....	2,874	2,916	10,938
Rehoboth.....	9,050	9,738	3,269
Swakopmund.....	2,828	2,875	929
Warmbad.....	4,159	3,735	269
Windhoek.....	13,665	13,181	11,207
TOTAL.....	106,937	93,491	87,462

152. The following table shows the distribution of the native population in Native Reserves, and Urban and Rural areas:—

Area.	Men.	Women.	Children.	Total.
In native reserves (including temporary reserves).....	4,419	7,350	8,197	19,966
In urban areas.....	11,415	6,632	5,882	23,929
In rural areas (including mines and works outside urban areas).....	25,452	16,202	21,388	63,042
TOTAL.....	41,286	30,184	35,467	106,937

153. No census of the native population was taken during the year. The figures in regard to the population outside the Police Zone are based purely on estimates.

154. As regards the population inside the Police Zone the figures in respect of the Native Reserves and the Urban Areas are substantially accurate, while the figures for the Rural Areas may be regarded as approximately correct.

B.—Vital Statistics.

155. The following are the preliminary vital statistics in respect of non-Europeans for the year 1928:—

<i>Births.</i> —(a) Within Native Reserves.....	274
(b) Outside Native Reserves.....	162
TOTAL.....	436
<i>Deaths.</i> —(a) Within Native Reserves.....	323
(b) Outside Native Reserves.....	133
TOTAL.....	456
<i>Marriages</i>	452

156. The excess of deaths over births in the above return is due very largely to the influenza epidemic in the Grootfontein district, to which reference is made in the section of this report dealing with Public Health. The death-rate on the Tsumeb copper mines was very high. Moreover the returns cannot be taken as reflecting the actual position; no doubt many births were never registered, but this would not apply to deaths since nobody may be buried in an urban area without an official or medical certificate. It will be appreciated how difficult it is to get natives to understand the importance of complying with a law such as that requiring the registration of births.

157. Taking the natives within the Police Zone as a whole, the population is undoubtedly increasing. The natural increase, however, is small, the balance being made up of natives from outside the Police Zone who enter for purposes of work, but finally remain here.

158. It is not possible to furnish vital statistics in respect of the rest of the Territory, as only natives in Urban Areas and in Native Reserves are required to register births and deaths.

X.—PUBLIC FINANCE AND TAXATION.

A.—FINANCE.

159. The detailed budgets for the last completed year of account and for the current financial year have been forwarded to the League, as also have the reports of the Controller and Auditor General which give in detail all the financial transactions of the Administration during the relative periods under review.

The following is a comparative statement of revenue received during the past five financial years :—

Head of Revenue.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.
	£	£	£	£	£
Customs and Excise.....	155,430	121,025	130,532	357,953	272,996
Posts and Telegraphs.....	66,740	56,923	65,859	65,632	86,658
Mining Royalties, Profits and Leases..	459,942	278,302	352,252	240,570	48,885
Licences: Liquor, Trading, etc.....	23,274	24,815	28,015	28,175	37,963
Stamp Duties and Fees.....	11,521	11,519	16,984	12,368	13,566
Estate and Transfer Duty.....	9,379	11,783	7,513	11,838	15,917
Native Taxes.....	1,879	—	—	—	—
Land Revenue, including Land Tax, Lease Rent, and Grazing Fees.....	14,205	19,722	20,131	18,456	21,881
Sales of Crown Land, including Repay- ments of Settlement Advances and Boring Loans.....	15,308	13,684	16,543	19,629	34,155
Forest Revenue.....	76	—	—	—	—
Rents of Government Property (houses)	11,074	15,795	16,809	17,428	18,121
Fines and Forfeitures.....	4,716	5,144	6,757	7,192	9,366
Departmental Receipts.....	22,420	27,519	38,377	43,341	49,383
Miscellaneous Revenue.....	16,126	36,607	20,960	25,903	29,433
Interest on Loans, etc.....	37,148	29,277	32,079	30,993	40,741
Native Pass Fees.....	—	—	—	6,427	4,651
Wheel Tax.....	—	—	—	3,426	7,474
	849,238	652,115	752,811	889,331	691,190
Extraordinary Revenue (i.e. Loan Recoveries).....	—	13,029	19,758	20,137	41,874
	849,238	665,144	772,569	909,468	733,064

Since 1923-24 all collections then described as Native Taxes have been credited to Native Reserve Funds, and Forest Revenue has been included in Miscellaneous Revenue.

160. The following is a comparative statement of expenditure during the past five years :—

(1) ORDINARY EXPENDITURE.

Service.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.
	£	£	£	£	£
Administration.....	38,606	64,427	46,713	47,219	55,726
Legislative Assembly, etc.....	—	—	—	6,990	6,558
Agriculture.....	37,792	54,038	47,972	26,559	27,405
Audit.....	2,017	1,695	2,102	1,773	1,937
Customs and Excise.....	2,431	2,836	3,329	4,179	4,657
Defence.....	85	1,958	12,214	174	12,072
Education.....	72,587	85,321	99,943	118,620	120,520
Water Boring.....	76,003	65,352	82,765	22,352	28,159
Justice.....	47,808	47,807	47,600	48,239	48,326
Lands, Deeds and Surveys.....	29,481	27,583	21,157	20,512	26,083
Mines.....	4,222	4,035	4,028	4,887	4,803
Native Affairs.....	16,949	15,094	17,076	16,383	16,405
Pensions and Gratuities.....	3,552	19,094	15,670	14,088	12,218
Posts, Telegraphs and Telephones....	47,089	52,207	61,341	55,753	58,065
Prisons and Reformatories.....	18,549	17,101	16,634	19,083	18,867
Interest and Redemption Charges.....	83	3,403	13,792	19,995	16,551
Public Health.....	15,094	15,405	16,824	18,938	21,048
Public Works.....	93,456	109,017	73,234	61,603	78,961
Police.....	123,258	126,779	132,242	130,715	135,968
	629,062	713,152	714,636	638,062	694,329

(2) LOAN, CAPITAL, OR EXTRAORDINARY EXPENDITURE.

Service.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.
	£	£	£	£	£
Railways and Harbours.....	30,000	2,196	—	—	—
Land Bank.....	36,000	25,000	38,000	60,000	65,000
Land Settlement.....	57,035	58,690	62,963	68,719	69,262
Loans to Local Authorities.....	—	33,325	—	29,500	11,350
Capital for Fund-Advances for Purchase of Purebred Stock.....	4,000	—	—	—	—
Telegraph and Telephone Extension...	14,462	—	—	11,627	12,674
Major Works (buildings and repairs costing over £1,000).....	21,476	—	20,820	11,762	24,623
Grants to Municipalities.....	3,345	—	—	—	—
Student Teacher Loan Fund.....	50	—	—	—	—
Purchase of portion of Berseba Reserve	5,733	—	—	—	—
Purchase of Farms for Rehoboth Basters, or Compensation in lieu thereof, etc.	7,374	—	—	—	—
Gobabis Land Settlement Scheme (Union Government).....	—	—	16,075	18,820	10,583
Water Boring.....	—	—	—	59,139	71,129
Water Supply, Otjiwarongo.....	—	—	—	1,525	4,986
	179,475	119,211	137,858	261,092	269,607

It may be stated that during the years 1923-24, 1924-25, and 1925-26, Water Boring was shown as ordinary expenditure. The same applies in respect of Telegraph and Telephone Extension during the years 1924-25 and Major Works during 1924-25. The money spent on the Gobabis Land Settlement Scheme was granted by the Union Government. Under law, the money had to be formally appropriated, but it is not repayable by the Administration.

Prior to 1926-27 the Administration found it unnecessary to borrow from the Union Government and the following is a statement of capital expenditure met from revenue during the period 1st April to 31st March, 1928.

161. The following statement shows the total capital or extraordinary expenditure met from revenue funds from the 1st April, 1920, to the 31st March, 1928.

	Net Expenditure to 31/3/27.	Expenditure, 1927-28.	Recoveries, 1927-28.	Net Expenditure to 31/3/28.
	£	£	£	£
1. Public Works.....	151,052	24,623	—	175,675
2. Advances to Land Bank....	542,000	—	15,000	527,000
3. Railways.....	159,671	—	—	159,671
4. Land Settlement.....	294,447	21,951	21,951	294,446
5. Loans to Municipalities.....	31,704	—	1,652	30,052
6. Advances for Purchase of Pure Bred Stock.....	4,000	—	—	4,000
7. Water Boring.....	305,637	38,854	3,271	341,220
8. Water Supply, Otjiwarongo...	1,525	—	—	1,525
9. Telegraph and Telephones Construction.....	83,411	12,674	—	96,085
10. Advances for Purchase of Transport.....	2,000	—	—	2,000
£	1,575,447	98,102	41,874	1,631,674

162. The foregoing really represents an accumulated surplus, but for the sake of convenience it has been written off as final expenditure. The bulk is, of course, recoverable and the Administration is now reaping the benefit of its investments. As will be seen from the Revenue Statement (para. 159) during last financial year interest on Loans amounted to £40,741. 5s. 3d., and Extraordinary Revenue, which embraces instalments on the purchase price of land sold, advances to settlers, loans to local authorities, and boring recoveries, amounted to £41,874. 9s. 3d.

163. The following Statement shows the Financial Assets recoverable and Liabilities of the Territory of South West Africa as at 31st March, 1928.

<i>Assets.</i>		<i>Liabilities.</i>	
	£		£
1. Cash Balance.....	17,710	Loan, Union Government.....	189,900
2. Land Bank.....	682,850	Excess of Assets over Liabilities....	1,809,610
3. Land Settlement (embracing advances, purchase price of land, boring and survey fees)..	1,204,550		
4. Water Boring (private individuals)	9,500		
5. Survey Fees (private individuals).	1,500		
6. Loans to Municipalities.....	70,900		
7. Advances for Purchase of Pure Bred Stock.....	4,000		
8. Water Supply, Otjiwarongo.....	6,500		
9. Advances for Purchase of Transport	2,000		
	<u>£1,999,510</u>		<u>£1,999,510</u>

164. Of the sum of £189,900 borrowed from the Union Government, £40,850 was borrowed by the Administration as agent for Local Authorities, which must, of course, repay the same. This, therefore, cannot be regarded as expenditure by the Administration. Loans to Local Authorities are repayable in half-yearly instalments over a period of 20 years. Other loans obtained by the Administration for its own purposes are repayable in half-yearly instalments over 40 years.

165. In addition to the foregoing loans, the Administration received from the Union Government the following grants in connection with the Gobabis Land Settlement scheme now earmarked for the Angola Boers:—

1925-26.....	£11,000
1926-27.....	25,000
1927-28.....	10,000
	<u>£46,000</u>

These grants are not repayable. All recoveries will be paid into a fund to be created for the further financing of the scheme.

166. The following accounts represent the Administration's financial transactions during the last financial year ended the 31st March, 1928:—

ACCOUNT NO. 1.—REVENUE ACCOUNT.

<i>Receipts.</i>			<i>Payments.</i>		
	£	s. d.		£	s. d.
Balance at 31st March, 1927.....	77,075	15 3	Expenditure, 1927-28.....	694,328	13 5
Revenue Collections, 1927-28....	691,190	9 6	Transferred to Account No. 2, Loan Account.....	56,227	9 0
			Balance at 31st March, 1928....	17,710	2 4
	<u>£768,266</u>	<u>4 9</u>		<u>£768,266</u>	<u>4 9</u>

ACCOUNT NO. 2.—LOAN ACCOUNT.

<i>Receipts.</i>			<i>Payments.</i>		
	£	s. d.		£	s. d.
Balance at 31st March, 1927....	1,105	2 6	Expenditure, 1927-28.....	269,607	0 9
Loan Recoveries.....	41,874	9 3			
Loan from Union Government in terms of Section 2 (1) of Union Act No. 43/1925 (Angola Boer Settlement—not repayable by Administration).....	10,000	0 0			
Loan from Union Government in terms of Section 15, Ord. No. 1 of 1926.....	160,400	0 0			
Transferred from Account No. 1—Revenue Account.....	56,227	9 0			
	<u>£269,607</u>	<u>0 9</u>		<u>£269,607</u>	<u>0 9</u>

167. The following is a comparative statement of revenue collected during the nine months, 1st April to the 31st December, 1927 and 1928:—

Head of Revenue.	1927.	1928.
	£	£
Customs and Excise.....	175,685	215,359
Posts, Telegraphs and Telephones.....	61,115	59,267
Mining Profits and Royalties.....	72,778	33,828
Licences: Liquor, Trading, Game, etc.....	27,694	46,365
Stamp Duties and Fees.....	10,127	11,727
Estate and Transfer Duty.....	10,979	12,454
Land Revenue.....	17,630	23,789
Sales of Crown Land.....	21,776	—
Rents of Government Property.....	13,424	12,976
Interest on Loans.....	22,295	29,858
Fines and Forfeitures.....	6,949	6,733
Departmental Receipts.....	38,052	38,925
Miscellaneous Revenue.....	12,816	8,219
Native Passes and Contract Fees.....	3,527	3,130
Wheel Tax.....	7,269	8,648
	£502,116	£511,278
<i>Extraordinary Revenue</i>	£17,480	£64,522
GRAND TOTAL	£519,596	£575,800

168. The following is a statement of expenditure during the nine months ended the 31st December, 1928, as compared with the same period of 1927:—

Vote.	Expenditure for Nine Months Ended 31/12/27.	Vote.	Expenditure for Nine Months Ended 31/12/28.
	£		£
1. Administration.....	37,870	1. Administration.....	38,161
2. Legislative Assembly, etc....	5,090	2. Legislative Assembly, etc....	5,685
3. Agriculture.....	19,035	3. Agriculture.....	21,245
4. Audit.....	1,404	4. Audit.....	1,892
5. Customs and Excise.....	3,344	5. Customs and Excise.....	3,802
6. Defence.....	680	6. Defence.....	1,321
7. Education.....	88,835	7. Education.....	95,628
8. Waterboring.....	17,859	8. Works.....	73,194
9. Justice.....	36,315	9. Justice.....	34,759
10. Lands, Deeds and Surveys..	19,852	10. Lands, Deeds and Surveys..	17,859
11. Mines.....	2,831	11. Mines.....	4,236
12. Native Affairs.....	11,673	12. Native Affairs.....	13,401
13. Pensions and Gratuities....	8,248	13. Pensions and Gratuities....	6,585
14. Posts, Telegraphs and Tele- phones.....	38,695	14. Posts, Telegraphs and Tele- phones.....	35,456
15. Prisons and Reformatories....	13,875	15. Prisons and Reformatories....	12,289
16. Interest and Redemption Charges.....	10,899	16. Interest and Redemption Charges.....	29,967
17. Public Health.....	13,919	17. Public Health.....	16,144
18. Public Works.....	53,114	18. South-West Africa Police...	100,430
19. South-West Africa Police....	101,736		
Total Expenditure from Revenue Funds.....	£485,274	Total Expenditure from Revenue Funds.....	£512,054
Total Expenditure from Loan Funds.....	154,436	Total Expenditure from Loan Funds.....	301,063
GRAND TOTAL	£639,710	GRAND TOTAL	£813,117

NOTE.—The order and number of the Votes have been altered as a result of the amalgamation of the Water Boring and Public Works Branches referred to in paragraph 20.

169. As regards revenue for the current financial year, with the exception of mining collections the general position is exceedingly satisfactory. Mining revenue has been very disappointing and it is now anticipated that not more than about £80,000 or £90,000 will be realized from this source instead of the £140,000 budgeted for. This is due mainly to the drop in the volume of trade of what are known as the Conference Producers and to the fall in the price of South West Africa diamonds. The decrease of volume of trade is a result of the deluge of diamonds from the Transvaal alluvial fields in 1927. During 1927 South West Africa sold 577,341 carats of diamonds for £1,620,862—an average of 56·15 shillings per carat. In 1928, 564,383 carats were sold for £1,389,864—an average of 49·25 shillings per carat. Working costs also show a very substantial increase.

170. It is difficult now to say what the position will be during the forthcoming year. The extraordinarily rich fields of the Union Government and the Hans Merensky Syndicate to the south of the Orange River Mouth are bound to affect the conference producers—to what extent remains to be seen. It is hoped that the diamond discoveries by the Consolidated Mines to the north of the Orange River (referred to in the mining section of this report) will materially alleviate the position of the Territory. The results of the exploratory work hitherto undertaken are most encouraging.

171. With regard to expenditure, the Loan Vote includes an expenditure during the first nine months of the current financial year of £126,155. 8s. 8d. in respect of the settlement of Angola Farmers.

172. The following statement shows direct expenditure on natives during the year ended 31st March, 1929, as compared with the corresponding periods of 1927, 1926, 1925, 1924, and 1923 :—

Service.	Provision for Year Ending 31st March, 1929.	Expenditure Year Ended 31st March, 1928.	Expenditure Year Ended 31st March, 1927.	Expenditure Year Ended 31st March, 1926.	Expenditure Year Ended 31st March, 1925.	Expenditure Year Ended 31st March, 1924.
<i>Education.</i>						
Mission Schools (salaries, maintenance, books, equipment, etc.).....	9,000	8,803	7,765	5,451	4,709	3,668
Govt. School, Rehoboth.....	200	—	—	—	—	—
Inspection of Schools.....	1,500	1,000	900	800	700	500
<i>Native Affairs.</i>						
Salaries, District Staff.....	13,920	11,818	11,945	10,469	8,907	8,241
Subsistence and Transport...	2,500	2,367	2,124	2,194	1,602	1,625
Native Labour Recruiting	—	—	—	—	—	—
Incidental Expenses (including rations for Ovambos until employment is procured).....	—	114	441	1,504	414	277
Subsidies and Allowances to Chiefs and Headmen, Presents and Rations (including headmen in settlements where no Municipalities exist).....	550	600	586	685	496	407
Construction of Dipping Tanks	—	—	116	255	296	221
Water Supplies and Maintenance, etc., Native Areas	2,000	1,377	1,036	1,797	3,379	4,706
Telegraphs and Telephones	130	130	134	171	—	—
Allotment of Pass Fees to Municipalities for Expenditure on Improvement of Native Locations.....	2,000	—	—	—	—	—
<i>Public Health.</i>						
Salaries of European and Native Attendants in Native Hospital.....	2,900	2,865	2,800	2,700	2,600	2,550
Medical Services (including maintenance of native hospitals, equipment, etc., infectious and other diseases, public vaccinations, etc.)...	5,000	4,343	4,482	4,328	3,468	2,357
Grants-in-Aid towards Medical Work of Missions in Ovamboland.....	600	600	—	—	—	—
Additions to Native Hospital, Windhoek.....	—	—	5,365	674	—	—
<i>Irrigation.</i>						
Boring in Native Areas.....	5,600	4,897	3,978	2,831	1,793	2,952
<i>Public Works.</i>						
Expenditure on Walvis Bay Location.....	250	—	—	5,857	433	—
TOTALS.....	£ 46,150	38,914	41,672	39,716	28,797	27,504

173. In addition to the foregoing it will be observed from the statements of the Native Reserve Funds contained in the Native Affairs section of this report (para. 438) that during the period above mentioned taxes and grazing fees collected in the Reserve amounted to £6,527. 8s. 8d. which was paid into the Reserve Funds. This actually constitutes surrendered revenue, it is spent solely in the reserves in which it is collected for the direct benefit of the natives therein, and it should therefore be added to the foregoing.

174. Then as has been pointed out in previous reports there is a great deal of general expenditure which is as necessary in the interest of the natives as of the Europeans.

175. The Missions in Ovamboland and elsewhere in addition to getting cash grants are supplied with free drugs, the value of which is considerable. Provision is also made for the appointment of two whole-time district surgeons in Ovamboland at a total cost of £1,750 per annum. The Irrigation Branch undertakes boring and advises on the construction of dams in the Native Reserves. The Police Force is not a military force. It is utilized for police purposes, and is necessary in the interests of the natives as well as of the Europeans. The same applies to the Central Administration, to District Administration (Magistrates), and to the Post and Telegraph Department which is freely used by natives.

B.—TAXATION.

DIRECT TAXES.

176. Natives and Europeans are alike liable to the following direct taxes with the exception of "Estate Duty" and "Liquor Licence Fees," which the natives do not pay.

(1) *Land Tax.*

(i) Rural Properties :—

(a) Northern and central districts : 1 pfennig a hectare ;

(b) Southern districts : $\frac{1}{2}$ pfennig a hectare ;

(c) Namib (desert) region : $\frac{1}{2}$ pfennig a hectare.

(ii) Small Holding :—1s. for every 10 hectares or part thereof.

(iii) Urban Properties :—2 pfennigs a square metre, with a minimum of 2s.

(2) *Transfer Duty.*

2 per cent. of value of immovable property on transfer of ownership.

(3) *Mining Taxation.*

Diamond Mining Companies :—Tax of 66 per cent. of the gross sale proceeds of diamonds produced, less 70 per cent. of the working costs of such production.

Base Mineral Companies.—Tax of 2 per cent. of the value of the ore at grass.

(4) *Companies Licence.*

Licence duty of 5s. per £1,000 of the Subscribed Capital of every Company registered or carrying on business in this Territory.

(5) *Estate Duty.*

Duty on the net estate of a deceased person exceeding £1,000 up to £250,000 on a sliding scale from 1 per cent. to 9 per cent. Estates exceeding £250,000 duty 10 per cent. Estates under £1,000 exempt.

(6) *Licences.*

Trading, Liquor, Arms, Game, Wheel, Motor, and Dog Tax.

Trading, Liquor, and Game Licences.—The amount of licence duty in respect of these licences differs according to the kind of licence required. In the case of Motor Licences vehicles are taxed according to their weight.

Wheel Tax.—7s. 6d. per wheel per annum, all vehicles.

Arms Licences.—The licence fee for a rifle is 10s., and that for a shot-gun or revolver 5s. These licences are not renewable by the same owner.

Dog Tax.—10s. per annum for each dog, payable by the owner.

Stamp Duties and Fees.—The law of the Union of South Africa, the Mandatory Power, applies.

177. The natives, although nominally liable to the same direct taxes as Europeans, in practice pay very little under the foregoing headings, except Dog Tax. Natives in reserves pay grazing fees as prescribed by law, but this is a payment for a service rather than a tax. Natives on Crown lands outside reserves pay grazing fees at the same rates. Taxes are paid individually and no distinction is made. Payment in kind is not permitted.

178. Compulsory labour is not exacted in default of the payment of taxes.

179. Taxes are collected by the magistrates who are the Receivers of Revenue in the districts. The Native Affairs officials in the reserves also collect taxes from the natives. No distinction is made between natives and Europeans as to the method of assessment and collection.

180. The chiefs and the headmen do not receive any percentage of tax collections. Where they receive remuneration it is in the form of regular monthly salaries. There are 31 paid headmen in the Territory proper and it is proposed to give subsidies to three of the leading chiefs in Ovamboland. The Chieftainess of the Kuangari tribe of the Okavango receives a quarterly allowance from the Administration. In the reserves grazing fees levied under the Native Reserve Regulations published in Government Notice No. 68 of 1924, the proceeds of trading licences, dog tax and certain other sources of revenue are handed over to Trust Funds established for each reserve to be expended for the benefit of the members of the native community in such reserves. (See Native Trust Fund Proclamation No. 9 of 1924.)

181. The native chiefs are not allowed to exact tribute or other levies in cash or in kind or labour.

INDIRECT TAXES.

182. The tariff of Import Duties is the same as that of the Union of South Africa, the Mandatory Power. There are no export duties, except a venison export tax, which varies from 10s. to £1 per carcase according to the species of animal, and 6d. per lb. for dried venison (biltong), and a tax of 10s. on each ostrich skin exported.

183. The territory forms part of the Customs Union between the Union of South Africa, Rhodesia, and South West Africa. This territory collects its own Customs Import duty at the seaports of Walvis Bay and Luderitz. In connection with imports overland from the Union of South Africa, the collection based on actual removals *ex* open stocks of imported goods, ascertained from yearly statistical returns, less the duty on removals of imported goods from South West Africa to the Union, are paid over to this Territory by the Union Government, less a charge of 5 per cent. for collection.

184. A contribution of £500 per annum is paid over to the Union Government towards expenses of the Statistical Bureau for its services in collecting and preparing returns of the trade of this Territory.

185. The expenses of the Customs Staff at Walvis Bay and Luderitz are met out of this Administration's funds.

186. No duty is charged on the products of this Territory when imported into the Territory of the Mandatory Power.

XI.—TRADE STATISTICS.

IMPORTS AND EXPORTS.

187. The annual totals of imports and exports since the assumption of the Mandate by the Union of South Africa are set out hereunder:—

Year.	Imports.	Government Stores.	Exports.	Government Stores.
	£	£	£	£
1920.....	2,180,183	—	5,401,385	—
1921.....	1,211,364	—	1,587,305	—
1922.....	1,147,637	—	1,247,229	—
1923.....	1,301,304	—	2,672,094	—
1924.....	1,777,164	76,420	2,851,473	—
1925.....	2,189,851	71,299	2,690,021	—
1926.....	2,507,625	66,946	3,292,986	—
1927.....	2,505,016	112,990	3,589,561	—
1928.....	2,881,562	145,235	3,335,937	—

188. The year 1920 reflects a considerable inflation in imports, mostly foodstuffs and apparel, in replenishment of stocks unobtainable during the period of military occupation. It was also the first year of resumption of direct trade with Europe. As regards the exports of that year, these include £4,265,000 of Diamonds—value per carat at that time being abnormally high at over £6 per carat.

IMPORTS.

189. The principal imports during the past six years have been :—

	1923.	1924.	1925.	1926.	1927.	1928.
(a) Metals, metal manufactures, machinery, and vehicles.....	£ 224,733	£ 401,242	£ 637,566	£ 777,173	£ 581,568	£ 691,855
(b) Animal, agricultural, and pastoral products, principally foodstuffs.....	305,095	372,704	410,848	444,377	493,898	533,897
(c) Textiles, apparel, yarns, fibre, etc.....	231,004	319,081	330,023	372,570	438,057	520,049
(d) Oils, resins, waxes, paints, and varnish.....	57,991	92,771	106,343	141,453	192,759	229,201
(e) Leather and rubber and manufactures thereof....	53,529	73,679	80,866	101,383	137,870	173,907
(f) Wood and manufactures thereof.....	36,337	73,445	92,805	92,611	88,024	107,581
(g) Tobacco.....	60,286	62,393	72,008	79,992	88,071	89,988
(h) Ales, wines, spirits.....	41,776	51,710	63,078	65,875	70,777	76,703
(j) Minerals, earthenware, glassware, including coal, cement, etc.....	32,898	52,459	82,713	72,807	61,013	55,786

190. Increase under (a) was during the years 1924-5-6 mainly attributable to imports of machinery, metal manufactures, rails, structural steel, etc., in connection with mines.

191. Throughout the whole period a marked advance has, however, been made in value of motor vehicles, passenger and commercial, with their spares. The figures for the years under review are :—

1923.....	£10,790
1924.....	31,651
1925.....	70,267
1926.....	110,537
1927.....	159,773
1928.....	230,304

Head (d) reflects increase in use of mechanical transport and installation of engines of the Diesel type as prime movers in mining, commercial, and agricultural concerns, through increased importation of motor spirit and crude (fuel) oil. Value of the imports of motor spirit has been :—

1923.....	£14,596
1924.....	29,738
1925.....	40,286
1926.....	52,033
1927.....	96,293
1928.....	126,247

192. Value of fuel oil imported advanced from £1,740 in 1925 to £18,103 in 1927. In 1928 the figure was £9,835.

The increase under head (e) reflects not only an increased demand for footwear of all sorts, occasioned by increase of European population and advancement of the native, but also the increased use of rubber goods, tyres and tubes for mechanical transport. Value of this class of goods alone shows a rise from £5,101 to £41,167 in 1927 and to £62,005 in the year under review.

Import of cement under (j) has increased over the period under review, the figures being :—

1923.....	£7,066
1924.....	17,655
1925.....	34,461
1926.....	22,111
1927.....	19,848
1928.....	21,466

193. The years 1924-5-6 increase was due to construction on mines. General consumption has increased and the value of imports is likely to remain about £20,000. Under 1 per cent. of the cement imported emanates from manufacturers in the Union of South Africa.

194. The increase under (f) has been general, furniture being in demand with increase of population, and this continues. Timber for mining uses, poles and sleepers for use on diamond mines, were responsible for the inflation during the years 1925-26.

195. Increase in value under the heads (b), (c), (g), and (h) has been in accordance with the increased population and the generally improved financial conditions obtaining.

196. During the six-year period 1923 to 1928 distribution of imports of merchandise, expressed as a percentage of total imports, has been :—

	1923.	1924.	1925.	1926.	1927.	1928.
(a) Produce of British Empire.....	6	7	8	7	5	6
(b) Produce of foreign countries.....	25	32	35	39	31	30
(c) Produce of Union of South Africa...	36	29	25	25	28	26
(d) (a) and (b) re-exported from Union of South Africa.....	33	32	32	29	36	38

197. Of the total imports directly imported through the two ports of the Territory, the value of those from Germany far exceeds those from any other source, the United Kingdom and the United States of America following with Holland and Sweden being the only other countries with a volume of trade worthy of mention.

198. In the six years 1923 to 1928 imports from these various sources were :—

	1923.	1924.	1925.	1926.	1927.	1928.
	£	£	£	£	£	£
Germany.....	243,124	396,363	568,277	696,917	510,607	556,293
United Kingdom.....	68,055	106,477	158,752	164,857	126,140	161,295
United States of America...	16,914	49,517	76,594	93,678	89,064	145,706
Holland.....	2,935	22,558	15,776	15,858	30,266	16,028
Sweden.....	4,152	13,292	19,410	27,680	21,355	33,571

199. The trade with Germany is general; commerce has been up to now largely in German hands. The principal mining concerns are German financed or controlled. That with the United Kingdom is also general, but the larger items are foodstuffs, wearing apparel, cotton goods, metal manufactures and coal, whilst with the United States the trade is mainly in motor cars and spirit, oil and machinery. Sweden has been the principal source of supply of timber for building and for construction work on diamond mines.

EXPORTS.

200. The principal exports from the territory fall under three heads :—

- (a) Minerals, including precious and semi-precious stones, precious and base metals, ores and concentrates of base metals and non-metals.
- (b) Animals, agricultural products, and foodstuffs.
- (c) Whale oil, etc.

201. Value of exports under these heads during the period 1923–28 was :—

1923.		1924.		1925.	
Amount.	Percentage of Total.	Amount.	Percentage of Total.	Amount.	Percentage of Total.
£		£	£	£	
(a) 2,039,829	76	2,147,487	75	2,148,349	80
(b) Not available	—	587,785	21	404,539	15
(c) 41,017	2	49,599	1	42,018	2
1926.		1927.		1928.	
Amount.	Percentage of Total.	Amount.	Percentage of Total.	Amount.	Percentage of Total.
(a) 2,526,007	77	2,504,027	70	2,033,870	61
(b) 647,220	20	933,873	26	1,144,819	34
(c) 57,646	2	69,250	2	84,703	3

202. Under (a), Diamonds rank first in importance. Export is dependent upon the market in accordance with which both quantity and value vary within wide limits. Value of export included in the above figures is that placed on diamonds exported from the Territory for re-export to Europe. The value upon which the Revenue derived is based may, and does, vary considerably from this. Whilst the values of exports from the Territory in the period under review have varied between £1,215,820 and £1,871,830, that of re-exports from the Union have been between £1,260,500 and £2,005,857.

203. Next in order of importance in value of export are Copper, Lead, Vanadium, Tin. All are dependent upon market for volume and value of export. Violent fluctuations have been experienced in all four metals during the past five years. Volume of export of these metals has, with the exception of vanadium, shown a gradual increase; ores of this metal owing to bad market conditions have during the last two years had a set-back, but during the current year considerable improvement has been shewn.

204. Export of Diamonds and Base Metals during the past six years has been :—

	1923.	1924.	1925.	1926.	1927.	1928.
Diamonds.....	£ 1,420,842	£ 1,395,846	£ 1,387,209	£ 1,863,860	£ 1,871,830	£ 1,215,820
Base metals....	613,253	751,411	761,911	660,914	632,197	818,050

205. Under (b), Slaughter Stock, both cattle and sheep, constitute the most important item, the value of export over the period of the past six years being :—

	1923.	1924.	1925.	1926.	1927.	1928.
Slaughter cattle.....	£ 286,344	£ 296,209	£ 103,768	£ 225,553	£ 169,597	£ 162,882
Slaughter sheep.....	125,180	148,824	118,244	186,266	208,634	197,413

206. With the opening of the Cold Storage Works at Walvis Bay, an addition to the export of agricultural products has been made in the form of frozen meat. The carcasses exported during 1927 and 1928 numbered 13,145 and 14,643 respectively, valued at £74,091 and £86,992.

207. Export of Preserved Meats in the form of Beef Extract from the Liebig Company's works at Otjihua, near Okahandja, commenced in 1925. During 1928, 8,900 head of large stock were slaughtered as compared with 7,400 in 1927. The value of the exports during the past four years has been :—

	1925.	1926.	1927.	1928.
	£ 1,235	£ 6,606	£ 10,077	£ 7,396

208. During the past six years an increase in value in Ox Hides, Goat and Sheep Skins exported is shewn :—

1923.	1924.	1925.	1926.	1927.	1928.
£ 33,875	£ 32,791	£ 40,964	£ 65,604	£ 123,415	£ 247,290

209. The increased number of animals slaughtered at the Cold Storage Works, Walvis Bay, and at Liebig's factory near Okahandja has contributed principally to this increase, but the growth of popularity of Karakul sheep and the success met with by breeders have also in a large measure contributed to this.

210. Value of Wool exported during the same period shows a satisfactory increase :—

1923.	1924.	1925.	1926.	1927.	1928.
£ 5,347	£ 7,128	£ 5,521	£ 17,945	£ 42,654	£ 79,771

211. Of other agricultural products Butter has shewn a steady increase, the value of exports during six years being :—

1923.	1924.	1925.	1926.	1927.	1928.
£ 31,140	£ 59,238	£ 61,524	£ 90,968	£ 213,786	£ 219,189

212. The Crayfishing industry at Luderitz and fishing industry at Walvis Bay have contributed throughout the last six years the following values in foodstuffs exported

	1923.	1924.	1925.	1926.	1927.	1928.
	£	£	£	£	£	£
Fish, dried.....	26,092	16,684	15,701	15,937	15,183	16,864
Fish, preserved.....	38,575	17,635	48,625	27,598	51,532	64,879

213. Under (c), the value of the products of the whaling industry, in the form of oil, etc., are shewn; export of Whale Oil, the principal product, during the past six years being :—

1923.	1924.	1925.	1926.	1927.	1928.
£ 39,710	£ 46,788	£ 60,545	£ 53,420	£ 57,630	£ 67,745

214. The destination of Exports under three main heads shewing percentage of total Exports to each during past six years were the following :—

	1923.	1924.	1925.	1926.	1927.	1928.
	*	*†	*	*		
(a) United Kingdom.....	53	51	55	59	56	40
(b) Union of South Africa...	20	21	14	19	21	26
(c) Foreign countries.....	26	27	30	21	23	33

* 1923-26. Articles through post not classified as regards country of destination accounting for 1 per cent. of the total exports.

† 1924. Export of 1 per cent. to Straits Settlements.

215. Exports to the United Kingdom include all diamonds produced, together with a proportion of tin, lead, vanadium and other ores and concentrates, valued at £72,830 in 1927 and £93,434 in 1928; certain agricultural products: Hides, £15,056 in 1927 and £13,654 in 1928; foodstuffs valued at £17,150 in 1927 and £9,648 in 1928; tallow, £5,830 in 1927 and £2,035 in 1928; and sealskins valued at £4,045 in 1927 and £5,106 in 1928.

216. The export to the Union of South Africa consisted mainly of slaughter stock, large and small, hides, sheepskins, wool, foodstuffs, including butter, cheese, dried fish, tallow, and fertilizers.

217. Principal exports to foreign countries include the majority of the metal, concentrates and ores of copper and lead produced and some vanadium; amongst agricultural products hides, Karakul skins, foodstuffs, frozen meat, dried and canned fish, also whale oil.

218. Ores, etc., of copper and lead and latterly of vanadium have been consigned to Belgium and Germany, export to these countries during the past six years being :—

	1923.	1924.	1925.	1926.	1927.	1928.
	£	£	£	£	£	£
Belgium.....	433,600	619,129	546,072	495,341	403,350	505,309
Germany.....	129,100	62,212	115,556	85,681	144,582	211,166

219. Germany has provided the principal market for Karakul pelts. The value of these exported to that country has been :—

1923.	1924.	1925.	1926.	1927.	1928.
£ 6,246	£ 7,959	£ 8,833	£ 18,297	£ 39,662	£ 96,785

220. Export of preserved (canned) fish, crayfish, has been variable during the period under review, the foreign market, particularly France, absorbing the greater part thereof. Exports to that country during the past six years have been as follows :—

1923.	1924.	1925.	1926.	1927.	1928.
£ 32,465	£ 2,570	£ 33,045	£ 20,664	£ 41,352	£ 57,011

221. Of the 1927 and 1928 export of fresh meat (frozen) *ex* Imperial Cold Storage, Walvis Bay, foreign countries absorbed about 95 per cent. Of this, 2,796 and 2,852 tons, valued at £66,448 and £63,980, were consigned to Italy, whilst France bought to the value of £2,506 and £16,442 during the same period. A small trade has also recently been done with the Belgian Congo in slaughter stock.

222. Whale Oil has during the period under review been shipped to under-mentioned foreign markets, its value being :—

1923.....	Denmark.....	£39,676
1924.....	Germany.....	44,863
1925.....	Germany.....	60,270
1926.....	Holland.....	52,420
1927.....	Germany.....	57,630
1928.....	Holland.....	67,745

IMPORT AND EXPORT TRADE IN AFRICA.

223. Except with the Union of South Africa no Import or Export trade of any importance is carried on with any African state or country.

224. Total imports of SOUTH AFRICAN produce into the Territory from the Union of South Africa during the past six years have shown an appreciable increase, the values during the successive years having been :—

1923.	1924.	1925.	1926.	1927.	1928.
£ 417,825	£ 476,258	£ 518,985	£ 571,404	£ 671,347	£ 749,488

225. The imports of South African produce consist mainly of foodstuffs, ales, wines, tobacco, leather, rubber goods, textiles and apparel; the value of these items over the past four years being :—

	1925.	1926.	1927.	1928.
	£	£	£	£
Foodstuffs.....	260,576	280,700	307,281	331,846
Ales, wine, spirits, etc.....	37,391	36,190	40,631	52,509
Tobacco.....	68,550	76,129	84,465	86,087
Leather and rubber goods, principally foot- wear.....	37,882	47,118	60,992	77,026
Textiles and apparel.....	12,812	20,980	30,108	47,800

226. The value of the exports from the Territory to the Union of South Africa of SOUTH WEST AFRICAN produce has during the past six years been :—

1923.	1924.	1925.	1926.	1927.	1928.
£ 545,327	£ 548,702	£ 337,500	£ 577,066	£ 595,586	£ 826,079

227. Exports comprise animals, agricultural and pastoral products, and foodstuffs; the main items and their value over the past four years being:—

	1925.	1926.	1927.	1928.
(a) Animals (principally cattle and sheep for slaughter).....	216,091	406,044	373,867	358,003
(b) Butter.....	61,470	90,808	213,647	219,150
(c) Hides, skins, and other animal and agricultural products.....	34,623	56,162	84,883	94,976
(d) Fish, dried and cured.....	15,680	15,937	11,504	12,032
(e) Cheese.....	2,147	2,952	2,883	5,661

XII.—ECONOMIC POSITION.

228. Good rains fell in the first half of the year, but in the second half a somewhat severe drought was experienced. Nevertheless, that substantial progress has been made is indicated by the following facts:—

- (1) Revenue under all heads, except mining, is increasing.
- (2) Imports also show an increase of £376,000. Particular attention is drawn to the fact that the value of motor vehicles purchased increased from £152,773 in 1927 to £230,204 in 1928. These vehicles are not being purchased merely as luxuries, for, with the improvement of the roads in the territory, farmers are abandoning animal transport and are purchasing motor lorries. This is contributing enormously to the opening up of the country.
- (3) Applications for land are increasing in number; land values are as high as, if not higher than, ever.
- (4) There is no increase in insolvencies.
- (5) The report of the Registrar of Deeds indicates that private registered debt has been much reduced (see paragraph 677).
- (6) There was a decrease in serious crime, which indicates prosperity.

Exports, it is true, show a decrease, but this again is due to the diamond position. In 1927 diamonds were exported to the value of £1,871,830. In 1928 there was a drop to £1,215,820, a decrease of roughly £656,000. The export of other products, however, show a very satisfactory increase, as a comparison of the figures of 1928 with those of 1927 will show:—

	1927.	1928.
Hides and skins.....	£123,415	£247,290
Butter.....	213,786	219,189
Wool.....	42,654	79,771
Fish.....	66,715	81,743
Whale oil.....	57,630	67,745

Exports of hides and skins include karakul pelts. The value of exports hereof in 1927 was £39,662 and in 1928 £96,785.

229. As has clearly been indicated in previous reports, apart from mining and farming, there are as yet no large industries to speak of in the Territory. The following are developing:—

Fishing.—There are a few crayfish factories at Luderitz. The South West Africa Farmers and Cold Storage Company, Ltd., has established Fisheries Works at Walvis Bay which operate in conjunction with the Cold Storage Works and endeavours are being made to develop an export trade.

230. During the year a fishing ship, the “Sherard Osborne,” owned by a Union firm, continued observations with a view to the establishment of a sardine factory at Walvis Bay. The catches were converted into fish-meal. It is doubtful whether the erection of a sardine factory will be proceeded with in the near future.

231. *Whaling* is carried on annually at Walvis Bay. The exports of fish and whale oil are given above (paragraphs 220 and 222). *Sealing* is now also carried on under licence. This was formerly a State operation.

232. The South West Africa Cold Storage and Stock Farmers' Company, Ltd., carries on cold storage work at Walvis Bay. Last year 14,287 cattle were slaughtered and the carcasses exported. These works are large enough and are equipped to meet the requirements of the country for many years to come.

233. Liebig's Company has established works near Okahandja and there beef extract is manufactured. These works may be regarded as complementary to the Cold Storage Works at Walvis Bay and are particularly valuable inasmuch as they absorb the poorer class of stock.

XIII.—MINES.

Legislation.

234. Mining within the Territory is regulated by the German Imperial Mining Ordinance of 8th August, 1905, as amended by Proclamations of the Administrator of South West Africa Nos. 24 of 1919, 12 of 1920, 59 of 1920, 29 of 1921, 11 of 1923, 15 of 1925 and 10 of 1926.

235. Subject to certain restrictions in the interests of the public and of private landowners, the whole country is open to prospecting and mining.

Prospecting.

236. Only the holder of a prospecting licence may prospect. The prospecting claims provided for are 200 × 400 metres (650 × 900 feet) in the case of precious minerals and 600 × 1,200 metres (1,950 × 4,000 feet) in the case of base minerals. Prospecting fees are payable in advance in the respective cases at 10s. and 5s. per claim per month. Prospecting and development only are permitted on prospecting claims and no production or export of minerals is permitted except under special permission. The owner of a prospecting claim may be called upon to carry out work and failure to comply may lead to cancellation of rights.

Mining.

237. To obtain full beneficial occupation, prospecting claims must be surveyed and converted into mining areas. The prospector is entitled to have his claims converted at any time or at the discretion of the Mining Authority he may be obliged to have this done after two years. Within two years after date of conversion mining operations appropriate to the nature of the deposit must be commenced.

Taxation.

238. The mine-owner must pay a Claim Tax and an Output Royalty.

239. Claim Tax is 30s. per hectare per annum for precious mineral areas (reduced to 1s. 6d. for alluvial diamond deposits), and 1s. per hectare for base minerals, with a minimum of 30s. per annum for any mining area.

240. The Output Royalty is two per cent. of the value of the minerals before treatment, with allowances for concentration, etc.

241. There is a special tax on diamonds, regulated by the German Imperial Ordinance of 1912. A sliding scale is brought into effect, the operation of which favours the poorer properties.

General.

242. There are provisions in the Mining Law for penalties or forfeiture in case of non-payment of taxation, compensation to landowners, abandonment of claims, passing necessary regulations, etc.

243. The Mining Law as in force to-day, although it cannot be considered ideal, may be said to provide all reasonable encouragement to mining enterprise, and it is the general policy of the Administration to assist in every way possible the mineral development of the Territory. It is intended to consolidate and amend the laws at an early date.

244. Ores of the following metals, in addition to the various minerals named, occur in different parts of the Territory in such quantity as to have warranted in every case some exploration and in some cases exploitation:—

Gold	Asbestos	Fluorspar
Copper	Amazonite	Graphite
Iron	Beryl	Limestone
Lead	Diamonds	Marble
Silver	Rose Quartz	Mica
Tin	Topaz	Phosphates
Tungsten	Tourmalines	Rock Salt
Vanadium	Lazulite	Salt
Zinc	Cadmium	Saltpetre.

245. In addition, those mentioned below have been discovered either alone in small quantities, or in association with other minerals and have not up to the present received sufficient attention to warrant their inclusion in the above list:—

Cobalt	Nickel	Gypsum
Gallium	Uranium	Monazite
Germanium	Apatite	Sulphur
Molybdenite	Corundum	Tantalite and Columbite.

246. No mineral resources have been leased, but under the above provisions of the law areas have been acquired for diamonds, gold, copper, iron, zinc, lead, tin, tungsten, vanadium, asbestos, various semi-precious stones, fluorspar, graphite, mica, rock salt, and saltpetre.

247. The State does not participate in the exploitation of minerals.
Private concerns are exploiting:—

Diamonds	Zinc	Marble
Gold	Vanadium	Semi-precious stones
Tin	Cadmium	Salt
Copper	Iron	
Lead	Fluorspar	

Policy.

248. Under Proclamation No. 7 of 1928 the extension of the special prospecting and mining rights granted in 1926 to the Kaoko Land Lund Minen-Gesellschaft over certain blocks of land left to the Company from their old concession area in 1920 were cancelled, the Company having failed to comply with the conditions under which the extension was granted, which included expenditure of a certain sum of money on prospecting operations during the period of extension with a minimum expenditure in any one year; the whole of the Kaokoveld thus became open to prospecting for the general public. Following on the Proclamation and pending the hearing of an appeal to the League of Nations with reference to this cancellation, these areas were until further notice closed to prospecting and pegging by the general public under Section 11 of the Mining Ordinance by General Notice No. 22 of 1928, and at the close of the year still remained so closed.

249. In August, 1928, the discovery of diamonds on the coast south of 19° S. Latitude was reported. With a view to protecting existing producers both in the Territory and in the Union and in accordance with the policy of the Administration to prevent exploration and exploitation of any further diamondiferous deposits, the whole of the Kaokoveld was closed to prospecting and pegging for diamonds under Section 11 of the Mining Ordinance by General Notice No. 37 of 1928.

250. For the same reasons the closure of prospecting for diamonds along the Orange River which was applied by General Notice No. 11 of 1927 was continued.

251. Following the discovery of Nitrates in the east of the Gibeon district in December (see para. 269) and with the intention of preventing indiscriminate pegging and securing to the Government the benefits to be derived from leasing the surrounding area already pegged, should the discovery prove of any value, the whole of the Gibeon and portions of the Gobabis and Rehoboth districts were in like manner closed to prospecting for nitrates and allied minerals by General Notice No. 67 of 1928.

252. In May, under Section 94 of the Mining Ordinance and Government Notice No. 90 of 1923, the sole prospecting rights for coal and oil over an area of 751 square kilometres east of Mariental in the Gibeon district were granted to Dr. Hans Merensky.

253. During the year the sole prospecting rights over 1,103 square kilometres in the Keetmanshoop and Gibeon districts granted in 1924 to the South West Oil Venture Syndicate and subsequently transferred by them to the South West Petroleum Corporation, Limited, were abandoned by the latter Company.

254. Similar rights granted in 1927 to the Swastika Natural Fertilizer and Mining Company, Limited, for Phosphates (organic and inorganic) and Guano were abandoned during the latter part of the year, the Company going into liquidation.

255. The policy of serving notice on prospecting claim holders under Section 31 of the Mining Ordinance instructing them to execute operations has been continued, but no prospecting claims were cancelled.

256. Six prosecutions were instituted during the year for failure to report the pegging of prospecting claims.

Prospecting.

257. The number of prospecting licences issued during the year under review showed a decrease, 530 having been issued as against 579 in the previous year.

258. The number of claims registered decreased to 649 from 2,198 in the previous year and the number of conversions applied for has dropped to 211 from 325.

259. There were only 858 cancellations as compared with 1,240 during the previous year.

260. In the southern portion of the Territory less activity has been shown than in the past few years. The discovery of diamonds by the Consolidated Diamond Mines near the mouth of the Orange River and the location of Asbestos in the Karasberg, south of Keetmanshoop are the two outstanding events of interest.

261. As regards the former, operations were carried on on a considerable scale throughout the year following definite geological lines. Results had, up to the latter end of the year, been negative on those horizons up to then dealt with. In October, however, on following up information derived from the opening of a new horizon on the south side of the river, diamonds of similar type and comparing favourably in size with those recovered from the workings at Alexander Bay were located. Subsequent results of continued work on this horizon have been encouraging. At present and until considerably more geological investigations and exploratory work have been done it is impossible to gauge to the full the potentialities of this most southern portion of our already extensive stretch of diamondiferous ground.

262. The discovery of Chrysotile Asbestos in Serpentine in the Karasberg was made in March. This formation has been traced over a very considerable distance and a good deal of pegging has been done in spite of the rugged nature of the country.

263. An extension of the occurrence of radio-active minerals at present being opened up in Gordonia is said to have been traced across the river into the far south-eastern corner of the Territory; no work has as yet been done.

264. What little prospecting for diamonds has been done along the Orange River on claims pegged prior to the closing of that area in 1927 has up to now been attended with negative results.

265. Fluorspar east of Kalkfontein South is again receiving attention. The deposit is of excellent quality and only high transport cost due to distance from rail is likely to prevent its profitable exploitation.

266. The occurrences of Lead at Aiais and the vicinity have as the result of drop in price of the metal and the abandonment of options by those previously interested received no further attention.

267. Attention has been paid to various occurrences of Copper in the Warmbad and Bethanie districts, but in each instance without encouraging results.

268. An ill-advised and badly conducted attempt made in the early part of the year to open up the Sinclair Mine and prospect the surrounding properties, all well over 100 miles from rail, was, as might have been expected, short lived.

269. A discovery of Sodium Nitrate (Saltpetre) in the Auob Valley, Gibeon district, is being investigated.

270. Spasmodic prospecting has been carried on in the Rehoboth district. Cupriferous gold reefs, Galena and Asbestos have received their share of attention, whilst Manganese of chemical grade in limited quantities, so far as at present can be seen, has been opened up not far from rail.

271. Near Windhoek and some ten miles from the Windhoek-Gobabis line an occurrence of Lead with Copper in a lime formation extending over considerable widths has been prospected and will be further developed.

272. Karibib and Omaruru districts have not had the same activity displayed in them as of late years, mainly, it must be presumed, owing to the drop in price of Tin. Additions to the known extent of Tin-bearing country have, however, been made and occurrences of Garnet Rock of good class located; the discoverers have as yet failed to find a market for this.

273. Beyond small additions to the already known occurrences of semi-precious stones, nothing fresh has been located in the Swakopmund district, but occurrences of Asbestos, both Chrysotile and Tremolite, long ago discovered and prospected at Nonidas and Pforte, are again receiving attention.

274. In the Otjiwarongo district the owners of a large block of claims east of the railway started towards the end of the year with the systematic prospecting of an extensive occurrence of graphite-bearing rocks on their holdings. The progress of their operations will be watched with interest.

275. Of the various holders of special prospecting and mining rights, the South West Africa Company and Otavi Exploring Syndicate continued their field operations in the Grootfontein district on a reduced scale. The geophysical examination of a previously worked Copper occurrence near Bobos, West of Tsumeb, was conducted by the Elbof Company. This and other results during the year have not been encouraging.

276. The Kaoko Land- und Minen-Gesellschaft, either prior or subsequent to the cancellation of their rights, carried out no operations on the precious mineral claims held by them at Khoabendus.

277. The Petroleum Corporation of South West Africa, Limited, continued the drilling of the hole started in 1927 at Unisgaos near Berseba. In August, after passing through hard broken formation they entered metamorphic rock. At 3,355 feet the Company abandoned its prospecting areas.

278. West of Mariental Dr. Hans Merensky has the engineers of the Elbof Company at present engaged on a geophysical examination of an area held by him under lease for prospecting for coal and oil. Under the terms of the lease, should this examination prove unsatisfactory the proposition may be dropped; if the reverse, the leaseholder is entitled to a further four years' extension on undertaking the boring of a certain considerable footage in one or more holes. The results obtained have been negative.

Mining and Production.

279. The figures furnished in paragraph 292 show production and export for 1928 and the preceding years.

280. Taken as a whole, the results of the year's working by the established concerns may be considered as satisfactory in spite of the interference occasioned in nearly every instance by an almost chronic condition of labour shortage.

Diamonds.

281. Although the market remained reasonably good throughout the year the position of producers has been worse than in the preceding year.

282. The year's production, sales, and prices show a substantial drop (see statement, paragraph 287). The volume of trade available to producers for the latter part of the year fell to a lower level than for some years past.

283. The drastic action of the Union Government in limiting alluvial production undoubtedly eased the position, but has latterly been offset by developments in Namaqualand. What influence the Namaqualand fields will have as regards the industry in this Territory is as yet difficult to foresee.

284. Production on the fields of the Consolidated Diamond Mines has been kept on the basis to which it was reduced in 1927, operations throughout the year being confined to the two plants at Elizabethbucht and Kolmanskop. Unforeseen difficulties have been experienced in working the deposits at the former place. Blasting on a considerable scale has been resorted to for breaking large areas of conglomerate prior to tackling the same with the big mechanical shovels, whilst in addition heavy overburden of dune sand which it was found uneconomical to pass through the plant had latterly to be removed and arrangements made for separate handling. Enormous tonnages of very low grade ground were nevertheless handled, the total for the year being 3,572,669 cubic metres (7,886,610 loads), the recovery being only 0.14 carats per cubic metre (6.3 per 100 loads).

285. The discovery of diamonds on the north bank of the Orange River referred to in paragraphs 260 and 261 has been of principal importance during the year, but what influence this discovery will have on the future working of the fields of the Consolidated Diamond Mining Company cannot as yet be estimated.

286. Production on the northern fields has been maintained and there are indications that an increase from the Namaqua Diamonds' fields at Charlottental may be looked for as a result of the extensive prospecting work in the vicinity of the dune belt.

287. The following table represents the production and value of diamonds won on record over the period 1909-1928:—

Year.	Diamonds Won.	Number of Diamonds.	Diamonds Sold.	Price per Carat.	Total Value.
	Carats.	Per Carat.	Carats.	Sh.	£
1909-10.....	560,977	5·0	560,977	28·83	836,000
1910-11.....	798,865	5·75	798,865	26·77	1,069,000
1911-12.....	816,296	6·5	816,296	25·60	1,045,000
1912-13.....	969,965	6·09	902,157	29·36	1,324,500
1913-14.....	1,570,000	4·97	1,294,727	42·01	2,698,500
1914 (April to end July)....	438,980	—	438,980	40·0	1,565,322 (estimated)
1914 (August to British occupation).....	—	—	57,808 (unsold in 1912-13)		
			285,873 (unsold in 1913-14)		
	74,078	(Seitz diamonds)	74,078	112·06	415,074
1915 (October to end year) (Pomona only).....	13,409	3·59	13,409	50·7	34,033
1916.....	144,920	5·02	144,920	45·3	328,224
1917.....	364,761	5·56	364,761	45·9	834,314
1918.....	372,139	6·02	372,139	57·0	1,060,087
1919.....	462,180	5·33	460,180	95·39	2,204,326
1920.....	606,424	5·17	230,751	138·66	1,599,849
1921.....	171,321	6·8	121,557	81·03	492,513
1922.....	144,156	7·56	297,600	53·17	791,211
1923.....	433,229	6·5	495,675	66·8	1,656,700
1924.....	492,696	7·2	449,846	54·43	1,224,441
1925.....	515,860	7·2	693,864	56·52	1,961,408
1926.....	683,801	6·7	726,808	56·42	2,050,688
1927.....	723,877	5·9	577,341	56·15	1,620,862
1928.....	503,142	6·3	564,383	49·25	1,389,864

Copper and Lead in the Northern Area.

288. From the figures given below it will be seen that production and export, for the year under review, have been a record, the mines of the Otavi Minen- und Eisenbahn-Gesellschaft group having exported in various forms some 10,500 tons of Copper, 19,500 tons of Lead, 830,000 ounces of Silver, whilst further increase in the quantity awaiting shipment at the end of the year is shown.

289. Given a more satisfactory labour supply in the coming year these figures should again be exceeded.

290. Value of output has suffered as the result of a further drop in the price of Lead, which metal, as will be seen, is now the principal production from these mines. The rise in Copper which has taken place during the latter part of the year has in some measure served to counteract this.

291. Development on the existing lower levels has been satisfactory and with completion of shaft sinking to the 20th level at 1,880 feet the development of a further few levels will be put in hand. Increase in ore with a high zinc content developed on these lower levels has necessitated the dumping of larger tonnages pending the decision as to erection of plant for the treatment of this and further big tonnages which may be expected from greater depths.

292. The production and export figures for period 1919-1928 are as follows:—

Year.	Ore Hoisted.	Copper-Lead Ore.	Exports.		Value.
			Copper-Lead Matte.	Pig Lead.	
	Tons.	Tons.	Tons.	Tons.	£
1919.....	26,675	6,606	—	—	125,088
1920.....	36,307	30,591	—	—	186,270
1921.....	72,643	42,644	1,414	198	300,254
1922.....	113,342	34,251	4,726	749	427,823
1923.....	114,994	38,521	4,390	407	446,210
1924.....	122,823	43,950	5,784	762	571,152
1925.....	112,600	48,114	6,142	1,532	629,232
1926.....	119,923	41,967	6,657	1,413	538,000
1927.....	144,370	37,638	8,385	3,710	569,000
1928.....	164,831	44,670	11,811	4,580	764,000

At Walvis Bay are awaiting export:—

	Long Tons.	
	1st January, 1928.	1st January, 1929.
Copper-Lead Ore.....	4,817	11,729
Copper Matte.....	1,452	1,206
Pig Lead.....	437	434

Vanadium.

293. Production for the year again shows an increase over preceding years, to which the South West Africa Company, Otavi Exploring Syndicate, and Otavi Minen- und Eisenbahn-Gesellschaft have contributed. But for the shortage of labour in the latter part of the year this figure would have been considerably exceeded.

294. The principal producer has, as in previous years, been the Abenab Mine of the South West Africa Company. The Uris Mine of the Otavi Exploring Syndicate which has been a regular producer for some years ceased production towards the end of 1928 on depletion of its payable reserves. The accumulated output from the Friesenberg, Tsumeb West and Tsumeb Mines was treated at the works of the last mentioned. At the first-named proposition the reserve of payable ore has been exhausted, but further ore remains for mining and treatment at the two last-mentioned mines. Uitsab, Berg Aukas and other small propositions of the South West Africa Company were not worked during the year, but small quantities of ore have been treated from occurrences opened up during prospecting operations.

295. The market for this metal which showed an improving tendency towards the latter end of 1927 has remained fair throughout the year. Prices have, however, dropped considerably below the level obtained in former years. With a view to making the best use of market demands it was considered advisable to export and maintain a stock of concentrates in Europe instead of in this country. There would at present seem every likelihood of satisfactory conditions during the coming year.

296. The following is a survey of the position for the period 1920-1928:—

Year.	Production.		Export.	
	Quantity.	Value.	Quantity.	Value.
	Long tons.	£	Long tons.	£
1920.....	360·4	18,000	277·6	13,880
1921.....	650·4	32,500	387·1	19,055
1922.....	1,981·1	99,000	711·03	35,551
1923.....	1,452·0	75,500	1,166·8	59,217
1924.....	2,121·8	110,300	1,604·5	83,433
1925.....	3,740·0	194,500	2,234·0	116,100
1926.....	2,321·0	120,700	1,130·0	58,000
1927.....	3,038·0	158,000	1,354·0	68,500
1928.....	3,339·0*	126,800	3,982·9	152,000

* Does not include 1,694 tons export ore and ore for treatment produced by the Otavi Minen- und Eisenbahn-Gesellschaft, Tsumeb.

Tin.

297. Production and export are both in excess of that for any of the preceding our years and but for the shortage of labour, which at times seriously threatened the continued working of some concerns and retarded the starting of others, would have been considerably greater.

298. The drop in price of the metal has eliminated most of the individual workers and it would appear that for the time being the small Syndicate or Company will, unless the price drops too low, continue to play the most important part in production from this area.

299. Interest is apparently still in a measure maintained from outside, but with the exception of execution of development of the Paukwab Mine by a certain financial group in London, no participation has up to now in any instance been secured.

300. With a more regular supply of labour and no change for the worse in price of this metal the coming year should show production appreciably in excess of any previous year.

301. The following represents the production and export over the period 1919-1928 :

Year.	Production.		Export.	
	Quantity.	Value.	Quantity.	Value.
	Long tons.	£	Long tons.	£
1919.....	111.2	19,700	113.3	20,370
1920.....	200.8	40,200	166.0	33,200
1921.....	155.8	18,700	104.4	10,950
1922.....	222.7	24,500	259.7	28,860
1923.....	236.6	35,500	233.3	34,995
1924.....	217.1	32,500	209.3	31,399
1925.....	192.7	36,600	190.8	36,250
1926.....	187.5	37,440	198.9	39,500
1927.....	210.6	40,400	204.5	39,200
1928.....	230.2	34,500	239.3	36,000

Gold.

302. The output again shows a decrease. It is apparent that the reserves of payable alluvial at Ondundu Otjiwapa are nearing exhaustion and at the end of the year only one individual remained at work.

303. Towards the end of the year prospecting disclosed some high-grade Copper ore bearing some gold in the vicinity of Rehoboth and a small shipment was made to Europe. It is improbable that any considerable output can be looked for from this source, but further prospecting and development are being undertaken.

Lead.

304. With the exception of a small output of 11 tons of hand-picked Galena from Aiais (Warmbad) in the early part of the year, no other output of this metal has been recorded. For the time being it is unlikely that any further production can be looked for from this area.

Iron.

305. The increased demands of the Tsumeb Smelter have occasioned increased production from their mine at Kalkfeld, the tonnage railed for the year being 29,456 as compared with 21,409 during the previous year.

Salt.

306. There was again a decrease in production, viz., 149 tons as against 338 tons in 1927. The local products apparently were unable to hold their own with the imported article.

Guano.

307. During the year and prior to abandonment of operations (see paragraph 254) the Swastika Natural Fertilizer and Mining Company produced 165 tons of Guano. On liquidation, 300 tons of accumulated stock were disposed of locally and in the Union.

308. The deposits of Bird Guano at Sandwich Harbour are still being worked on a small scale and 764 tons were exported to the Cape Province on behalf of farmers in the Malmesbury district.

Fluorspar.

309. Considerable difficulties have been experienced in the development of the deposit on Omburo and production has been delayed, that for the year being a slight decrease on that of 1927. Prospects at the end of the year were better. Output, 858 tons as against 979 tons in 1927, and Export, 115 tons as against 1,059 tons in 1927.

310. Other minerals produced and exported during the year include :—

Tantalite.....	0.300 long tons.
Rose Quartz.....	3.750 long tons.
Tourmalines.....	48.7 kilogrammes.

Geological Survey.

311. During the period under review the survey of the Eronga area between 15 and 16 degrees East Longitude and 21 and 22 degrees South Latitude, together with the outlying areas to the north-west and south-east, was completed.

312. A short reconnaissance of the artesian area was made and a survey of this area will be undertaken during the coming year.

313. No reports have as yet been issued.

XIV.—AGRICULTURE AND VETERINARY.

A.—AGRICULTURE.

314. On the whole, 1928 was a favourable year for farming. Generally good rains fell, though rather late in some districts with the result that grass did not mature and this affected its nutritive value. Stock consequently suffered in the heat and drought experienced towards the end of the year.

315. All classes of stock, however, realized excellent prices throughout the year.

316. Quite a good mealie harvest (72,553 bags) was reaped, the bulk of which was produced in the Grootfontein district.

317. The total extent of land under cultivation within the Police Zone was 17,091 hectares, and the other crops produced were: Wheat, 3,621 bags; Potatoes, 8,248 bags; Kaffircorn, 2,831 bags; Tobacco, 10,400 lb.; Sunflower seed, 105 bags; Onions, 700 bags; Beans, 376 bags; Citrus, 280 cases, each containing approximately 100 citrus fruit.

318. Particularly striking is the increase in the export of karakul pelts for which there has been a great demand. The following statement shows the progress of this industry:—

	1925.	1926.	1927.	1928.
Number of karakuls in country.....	88,884	106,155	123,745	179,509
Number of pelts exported.....	18,190	26,385	35,000	74,470
Average price per pelt.....	16s. 6d.	16s. 6d.	17s.	23s. 6d.

319. Many farmers are now concentrating on karakuls and the industry is growing to such an extent that the Administration has sent two persons to the University of Halle to study karakul breeding. Upon completion of the course there they will proceed to Leipzig to study the commercial side of the industry and they will thereafter return to the Territory and will be employed to advise farmers in this class of farming.

320. The merino industry is also expanding rapidly as the following figures showing the number of merino sheep in the country will indicate:—

1925.	1926.	1927.	1928.
65,661	99,270	204,822	246,479

321. Not only have the numbers increased, but the class of animal has greatly improved in the past four years. Each year brings more progressive farmers into the Territory and these men appreciate the value of good rams.

322. In pursuance of its policy in regard to the improvement of stock in the Territory, the Administration during 1928 imported on behalf of farmers 124 bulls and 266 rams on repayment in instalments covering a period of twelve months.

323. The Land and Agricultural Bank also makes advances to farmers for the purchase of breeding stock and at the 31st December, 1928, such advances aggregated £8,650.

324. Excellent results have been achieved at the Gammams Agricultural School, though operations have been somewhat hampered owing to lack of water. However, a large dam is in course of construction and is now practically complete. This will contain a sufficient supply of water to enable a large strip of soil to be placed under irrigation and it will then be possible to train students in all branches of farming there. The institution has become so popular that pressure has been brought to bear on the Administration to erect similar schools in other parts of the Territory and the practicability of establishing three more schools in the Otjiwarongo, Keetmanshoop, and Gobabis districts is receiving consideration. The schools will be run on the same lines as the Gammams school which is open to Europeans only. Students must be at least 16 years of age and must have passed the sixth standard. The school course covers two years and students must then serve for one year under a progressive farmer. If they are then certified to be quite suitable the Administration will consider them for settlement farms. This policy affords a good prospect for the promising youths of the country.

325. Provision has been made for the accommodation of six learners at Neudam Experimental Farm. The learners are accepted for a period of one year and acquire valuable experience in all branches of farming.

326. Substantial advance has also been made at the Neudam and Tigerquelle Government Experimental Farms.

327. All grade stock has been sold and the Administration is concentrating on pure bred stock. The breeds of cattle maintained are :—

- (a) *Dairy Strains*.—Shorthorn, Friesland, and Ayrshire ;
- (b) *Dual Purpose*.—Red Polls ; and
- (c) *Beef Strains*.—Shorthorn, Sussex, Aberdeen Angus, and Afrikaner.

It is intended to add one or two European breeds to these in the near future. In all there are 206 cows and heifers, 9 stud bulls, 40 young bulls over 1 year old, and 91 calves. The bull calves are reserved for sale to farmers.

328. The karakul herd at Neudam now numbers 1,207. During the past year a considerable number of rams have been sold, prices realized running up to £125. The Administration was recently fortunate in securing two good rams and three ewes from overseas and also acquired the Union Government's flock of 120 animals. This has solved the problem of new blood for some time to come.

329. The following numbers of pure-bred sheep are also maintained :—

Merino.....	134
Blackhead Persian.....	143
Ronderib Afrikaner.....	82

330. The Union-Castle Mail and Steamship Co., Ltd., agreed as from 1st January, 1929, to convey pedigree stock from Europe and the British Isles, freight free. This generous concession now makes it possible for the farmers to import stock and should prove an important factor in the improvement of stock in the Territory.

331. The following return shows the exports of agricultural produce during 1927 and 1928 and indicates the extent to which farming has progressed :—

	1927.	1928.
<i>Slaughter Oxen—</i>		
(1) To the Union.....	33,566	30,852
(2) Oversea (Alive).....	794	490
(3) Carcases (Cold Storage).....	12,657	14,643
(4) Liebig's Extract.....	7,425	8,900
	54,442	54,885
<i>Slaughter Sheep—</i>		
(1) To the Union.....	162,034	180,875
(2) Carcases.....	—	709
		181,584
<i>Pigs</i>	39	198
<i>Butter</i>	2,914,602 lb.	3,079,442 lb.
<i>Cheese</i>	50,566 lb.	89,349 lb.
<i>Wool</i>	935,398 lb.	1,631,142 lb.
<i>Karakul Skins</i>	35,000 lb.	74,470 lb.

332. As will be seen from the exports of butter and cheese the dairy industry is going ahead. During the year regulations were passed providing for the compulsory grading of cream.

333. The following are the figures of the Agricultural Census of stock in the Police Zone taken towards the close of the year. The figures of the census of the previous year are also given for purposes of comparison :—

1927.

No. of Owners.	Race.	Sheep and Goats.	Cattle.	Horses.	Donkeys.	Mules.	Pigs.
3,885	Europeans.	1,771,677	462,818	14,326	35,066	1,867	10,855
412	Basters....	75,863	13,894	1,026	1,795	7	48
7,662	Natives....	465,956	69,414	2,032	10,981	26	96
11,959		2,313,496	546,126	17,384	47,842	1,900	10,999

1928.

(a) SMALL STOCK.

No. of Owners.	Race.	Sheep.					Goats.		
		Grade Karakuls.	Pure-Bred Karakuls.	Woolled.	Black-head Persians.	Cross-bred.	Angora.	Other.	Total.
3,714	Europeans..	160,796	18,574	245,972	40,660	934,117	28,579	537,210	1,965,908
10,828	Natives....	78	—	43	—	86,779	21	595,689	682,610
493	Basters.....	60	1	464	—	36,599	1,301	59,640	98 065
15,035		160,934	18,575	246,479	40,660	1,057,495	29,901	1,192,539	2,746,583

(b) LARGE STOCK.

No. of Owners.	Race.	Cattle.		Horses.	Donkeys.	Mules.	Pigs.	Total.
		Pure-bred Grades.	Ordinary.					
3,714	Europeans.	15,468	501,396	14,038	36,693	1,741	10,015	579,351
10,828	Natives....	1	122,366	3,654	18,100	38	43	144,202
493	Basters....	—	16,247	1,140	3,086	16	10	20,499
15,035		15,469	640,009	18,832	57,879	1,795	10,068	744,052

334. The poultry owned by Europeans amounts to 14,366.

335. The foregoing report relates almost entirely to the agricultural progress made by Europeans. As has been made clear in previous reports, the native does not go in for general farming. Except in Ovamboland and on the Okavango River he does not worry about agriculture. The character of the country and his nomadic nature have been against this. As a matter of fact it has been made clear also that even amongst Europeans agriculture represents at present a very minor feature of the farming industry, for even the Europeans have not yet been able to develop the requisite water supplies. The industry is thus almost entirely pastoral as yet.

336. The native's only idea is to accumulate stock and everything considered he is doing so at an amazing rate. As yet he does not realize that quality is better than mere quantity and efforts to improve the quality of native stock so far have been futile. The general progress made by the natives is discussed under the heading "Native Affairs."

B.—VETERINARY.

337. The number of outbreaks of anthrax and blackquarter showed a decrease in each case as compared with 1927. A compulsory inoculation of all cattle in the Okahandja district against anthrax was undertaken, likewise a compulsory simultaneous dipping of all small stock south of latitude 23°. It is proposed to dip all small stock north of latitude 23° during the current calendar year.

338. Heavy losses in small stock have been sustained as a result of internal parasitic infection—i.e., wireworm, nodular worm, and hookworm—combined with poor grazing and scarcity of water in some parts of the Territory. The natives as well as the Europeans have been rather badly hit.

339. Gallamsiekte caused some losses, but casualties from other diseases were negligible.

340. Of the 180,785 sheep exported to the Union only fifteen were on arrival at their destinations found to be visibly infected with scab—a percentage of .0083. The total number of sheep declared to be infected, i.e., including contacts, was 622 or .34 per cent. The corresponding figures for 1927 were:—

Number of Sheep Exported.	Number Visibly Infected.	Percentage.	Total declared Infected (including contacts).	Percentage.
162,034	9	.0055	1,009	.62

XV.—LAND SETTLEMENT.

341. The comparative table given below illustrates the progressive movement of land settlement in the Territory since its inception in the year 1920 under the Land Settlement Proclamation.

Year.	No. of Holdings.	No. of Settlers.	Area in Hectares.	Valuation.
1920.....	169	203	1,595,873	£ 144,364
1921.....	245	311	2,125,154	173,139
1922.....	169	216	1,163,600	125,451
1923.....	79	101	765,461	57,916
1924.....	123	157	1,047,322	78,949
1925.....	95	118	783,961	57,040
1926.....	127	140	1,085,295	83,200
1927.....	91	101	574,713	62,553
1928.....	44	48	340,398	41,713
	1,142	1,395	9,481,777	824,325

342. Detailed analysis of allotments under the Land Settlement Proclamation during the year 1928 :—

District.	No. of Holdings.	Area in Hectares.	Purchase Price.	No. of Settlers.
Bethanie.....	3	43,900	£ 2,789	3
Gibeon.....	3	28,606	3,472	5
Gobabis.....	8	46,779	5,930	8
Keetmanshoop.....	1	12,200	1,151	2
Okahandja.....	1	4,500	590	1
Outjo.....	21	160,638	21,756	21
Rehoboth.....	1	10,000	1,020	2
Windhoek.....	6	33,775	5,005	6
	44	340,398	41,713	48

343. Land settlement was curtailed during 1928 as the Administration had undertaken to settle the Angola farmers, and it would obviously have been unwise to allot farms to other settlers until adequate provision had been made for the reception of the immigrants from Angola.

344. The demand for holdings, however, has in no way diminished and there is keen competition for any holding which becomes available for allotment. Some considerable time must elapse before the existing demand for farms can be met. Arrangements have, however, been made to speed up both boring and survey operations and it is hoped to make a considerable number of farms available for allotment during the next year. The total number of applications received in respect of the 44 holdings allotted during the year under review was 315, and the average capital per applicant rose from £1,215 in the previous year to £1,521. It will be appreciated that the new-comers will not need the assistance from the Administration to the same extent as the man who only possesses the minimum limit, i.e., £500.

CANCELLATIONS AND SURRENDERS OF ALLOTMENTS.

345. The number of cancellations and surrenders for the year show a further decrease, the total being twelve as against twenty-five the previous year. This reflects a very satisfactory state of affairs and goes to show that the settler is making steady progress. In no instance was a surrender or cancellation due to financial embarrassment. No lease has been allowed to elapse by effluxion of time, lessees either having had their leases extended or having exercised their options to purchase their holdings.

OPERATIONS UNDER THE CROWN LAND DISPOSAL PROCLAMATION, 1920.

(1) *Sales and Allotment of Farm Land.*

346. Most of the allotments figuring in the schedule below have been made as additional grazing land to farms which were considered to be too small to afford a settler a decent living from his farming operations:—

Year.	No. of Holdings.	No. of Settlers.	Area in Hectares.	Valuation.
				£
1921.....	32	36	209,096	19,685
1922.....	8	9	65,903	6,014
1923.....	16	18	78,723	6,944
1924.....	73	84	573,448	39,264
1925.....	57	60	286,917	22,296
1926.....	38	40	179,601	17,926
1927.....	27	27	132,912	12,955
1928.....	23	24	68,783	13,494
	274	298	1,595,383	138,578

(2) *Sales of Township Erven.*

347. A total number of 25 Township erven involving an area of 5 hectares 46 ares and 58 square metres was disposed of, either by tender or public auction. There is a steady demand for erven in the Townships of Otjiwarongo and Outjo and a good many business premises and dwelling-houses have been erected already. The sale of these erven is subject to the condition that the purchaser is obliged to erect a suitable dwelling or place of business within two years from the date of the sale. There is little demand for erven in Walvis Bay at present, and the Township would appear to be suffering from over-development just now.

(3) *Government Grants.*

348. Thirty-nine Government grants were issued in respect of farms involving an area of 249,238 hectares, valued at £31,106, and thirty-six grants in respect of Township erven involving forty-five properties, valued at £2,328.

(4) *Bonds.*

349. The number of bonds registered against properties is eighteen, representing a total value of £18,860.

(5) *Certificates of Reservation.*

350. Five Certificates of Reservation in favour of the Railway and Harbour Administration were issued in respect of township erven involving seventeen properties and six in respect of portions of eight farms.

CESSIONS, OPTIONS, EXTENSIONS OF LEASES, SURRENDERS, AND CANCELLATIONS.

351.

	No. of Farm.	Area in Hectares.	Purchase Price.
			£
Cessions Registered.....	36	303,547	30,006
Options Exercised.....	37	331,705	30,756
Extensions of Lease.....	75	694,418	62,701
Surrenders and Cancellations.....	12	94,376	9,261

XVI.—EDUCATION.

EUROPEAN EDUCATION.

Compulsory Education.

352. The Education Proclamation of 1921 made it clear that it was the definite intention of the Administration of South West Africa that every child should receive a full course of primary instruction, and that this intention should be carried into effect by making it compulsory for every child who had completed his seventh but not his sixteenth year to attend school. This intention was re-affirmed by the Proclamation of 1926.

353. In spite of the fact that this provision has been in force for seven years there are still about 700 or 14 per cent. of the children of the ages 7 to 15, inclusive, who were not attending school at the close of the year.

354. The law provides that every child who has completed his seventh but not his sixteenth year and who resides not more than three miles from the nearest school must attend school. It goes on to provide that a child who resides more than three miles from the nearest school and whose parents cannot defray the expense of sending him to school is exempt, unless and until the Administration or some other body or person offers the assistance which the parents require. It is to this second group of children, viz., those residing more than three miles from the nearest school, that the 700 children above referred to belong. For financial reasons it is not possible to provide for all these children at present and it has definitely been laid down that for the present the Administration is not able to admit to its hostels—

(a) children under the age of ten, unless at least half the prescribed fees are paid ;

(b) the children of recent arrivals in the country, unless full fees are paid.

355. Recent arrivals qualify for Government aid as soon as they acquire the rights of citizenship or show in some other concrete way that they have definitely thrown in their lot with the country.

Immigrants from Angola.

356. The immigration of farmers from Angola presented a special problem. Schools had to be established which can readily be moved and which, if need be, can serve small numbers of children at two or more centres by rotation.

357. This has been done by providing a marquee with a double canvas roof for each school. The sides of the tent are so arranged that they can be entirely removed on fine days. The school then in effect becomes an open-air one. The boarded floor is in sections so as to facilitate transport. The furniture is of a special type. It can be easily dismantled and in every detail has been planned and constructed with the special object of minimizing breakages in transport.

358. The teacher will be accommodated in a caravan which has been specially built and equipped. Where early transport of the school by rail or lorry is expected the teacher will be accommodated in a cottage tent for the time being. The cost of all the accommodation and equipment for one of these itinerant schools is about £350.

359. At the commencement of the school year in 1929 three of these schools were opened in the Gobabis district and three at Gamkarab near Outjo. When the immigrants take up their residence on their own farms these schools will be established at centres which can be reached daily by the children from a number of surrounding farms. If it is not possible for about twenty children to reach one centre, the school will be moved from time to time so as to serve children at two or more centres. In the latter case the school will return to each centre at least once a year and the length of sojourn at each centre will depend on the number of school children at that centre.

Standard of Work in Schools.

360. The inspectors report very favourably on the standard of work in Government schools. Their statements are borne out by the good results obtained in the Junior Certificate and Matriculation examinations by all the schools doing secondary work. A disappointing feature revealed in these examinations was the weakness of the German-medium candidates in the official languages. In a number of schools the practical side of education is not receiving its due mainly because of the lack of the necessary facilities and accommodation.

361. In the private schools the standard of work is less satisfactory. The number of these schools increased during the year from 38 to 45. Thirty-five per cent. of the teachers employed in these schools have no professional qualifications. That this is bound to affect the standard of the work goes without saying. In a number of the private German schools the measures taken to adapt the curriculum to the special needs of the country (official languages, weights and measures, geography of South West Africa, etc.) have not yet met with the desired amount of success.

History of South West Africa.

362. At the instigation of the Administration, Dr. H. Vedder, Principal of the Native Training School at Okahandja, has commenced to prepare systematically for the writing of a comprehensive History of South West Africa. For this work, Dr. Vedder is eminently suited. He has been in this country for about twenty years and has during all that time taken great interest in the history of its people. He knows two of the native languages well and has a fair knowledge of the others. He enjoys the confidence of the natives in an exceptional degree, with the result that they communicate facts and relate events to him freely. In the ordinary course, because of their suspicious nature, the natives either pretend ignorance when questioned about such events, or they relate the events in a form which they consider acceptable to the recorder or listener. Dr. Vedder reports that he has succeeded in enlisting the interest and co-operation of the native teachers and that their assistance is proving very valuable.

363. The work during the past year has been preparatory. It consisted of collecting material from various sources. The material collected has been recorded in four type-written volumes of about two hundred pages each. These have been handed to this Administration for safe keeping until needed for future reference and for the final compilation of the History. These volumes are :—

1. Bibliography of South West Africa.
2. Introductory: Chronicles of the Congregation of Otjimbingwe.
3. Early events communicated by natives and recorded by Dr. Vedder.
4. Reports by the early missionaries in Namaland and Bethanie.

Medical Inspection of Schools.

364. Arrangements are now complete for making a commencement with the medical inspection of schools. Each district surgeon will be responsible for visiting the schools in his district, medically examining the children in the school and furnishing a general report to the Administration on the health of the children and the conditions under which they live and work.

365. Records of the examination of children will be kept by the Principal of the school, who will do as much as he can to see that recommendations made by the medical inspectors are carried out.

366. *Statistics.*

(a) <i>Schools :</i>	1928.	1927.
Government High.....	1	1
" Secondary....	2	2
" Burgher.....	1	—
" Agricultural...	1	1
" Primary.....	27	27
" Farm.....	21	20
	<hr/>	<hr/>
TOTAL.....	53	51 (This includes 1 Agricultural School.)
	<hr/>	<hr/>
<i>Private Schools :</i>		
Subsidized.....	34	24
Not subsidized.....	11	14
	<hr/>	<hr/>
	45	38
	<hr/>	<hr/>
(b) <i>Teachers :</i>		
In Government Schools....	158	144
In Private Schools.....	92	82
	<hr/>	<hr/>
	250	226
	<hr/>	<hr/>

At present there is only one uncertificated teacher in the employ of this Administration and he is proceeding to a University in 1929 for a course of professional training. Thirty-three of the teachers in private schools are uncertificated.

(c) <i>Scholars :</i>	1928.	1927.
In Government Schools—		
Secondary classes.....	166	131
Primary classes.....	3,116	2,927
	<hr/>	<hr/>
TOTAL.....	3,282	3,058
	<hr/>	<hr/>
In Private Schools.....	1,230	1,041
	<hr/>	<hr/>
GRAND TOTAL...	4,512	4,099
	<hr/>	<hr/>
(d) <i>Government School Hostels :</i>		
Number of Hostels.....	19	18
Number of Boarders.....	1,029	1,084

The decrease in the number of boarders in hostels is in accordance with the policy of the Administration to reduce the hostel system in South West Africa.

Aims and Objects of the League.

367. Instruction in the aims and objects of the League of Nations is given in all schools. The following publications have been supplied by the Administration for the use of teachers:—

- “What the League of Nations is and does.” By Wilson Harris.
- “Human Welfare and the League.” (Pamphlet No. 155.)
- “Exhibit of 28 Pictures, 25 × 18 ins. (To larger schools.)
- “The League of Nations in Pictures.” (To smaller schools.)

A booklet entitled “A New World or The League of Nations,” and published by the Cap. League of Nations Union, contains a special section on the Mandate of South West Africa. This booklet has now also been supplied to all schools for the use of teachers.

NATIVE AND COLOURED EDUCATION.

368. The points raised in Questions 73 to 85 of the Questionnaire have nearly all been dealt with in previous reports, and attention is invited to paragraphs 145 to 147 and to the information furnished on page 97 of the Annual Report for 1925 and to paragraphs 136 to 140 of the Annual Report for 1926.

369. The amounts allocated in the Education Budget for the Financial Year 1928–29 in respect of Government Schools, non-Government Schools and Inspection of Educational Institutions are £200, £8,800, and £1,500 respectively.

370. The conditions of subsidy are laid down in Sections 122 to 133 of the Education Proclamation (Proclamation No. 16 of 1926). The following extracts give these conditions in brief:—

127. (1) “A mission school shall not be recognized by the Director, unless the Director is satisfied that the educational needs of the locality call for such recognition, that a regular attendance of at least twenty pupils can be maintained, and that the accommodation utilized or proposed to be utilized is suitable for the purpose.

129. The curriculum shall be determined and regulated by the Director and may provide for instruction and training in industrial pursuits, including agriculture.

The Director shall from time to time determine the school hours, school terms and vacation periods to be observed by any such school.”

371. The medium of instruction is the home language of the pupils.

372. It is not possible at the present stage to speak of certificated and uncertificated teachers in native schools. Trained and untrained are the terms usually used. By “trained” we mean a teacher who has attended a primary school for three or four years and has thereafter attended a training school for three years. European teachers in Native and Coloured schools whose qualifications are sufficient to entitle them to be regarded as permanent members of the profession are included in the numbers under trained.

	<i>Trained Teachers.</i>	<i>Untrained Teachers.</i>
Government Schools.....	1	—
Non-Government Schools.....	53	63

373. All the teachers in the Training and Industrial schools are classified as “trained.”

374. There are no separate institutions for boys and girls. The principle of co-education is followed throughout. The figures for all pupils are as follows:—

Nature of Schools.	Number of Schools.	Enrolment.	Average Attendance.
<i>(a) Training Schools—</i>			
(i) Government.....	—	—	—
(ii) Non-Government (subsidised).....	2	57	56
(iii) Non-Government (not subsidised).....	1	8	8
<i>(b) Industrial Schools—</i>			
(i) Government.....	—	—	—
(ii) Non-Government (subsidised).....	2	34	30
* (iii) Non-Government (not subsidised).....	—	—	—
<i>(c) Primary Schools—</i>			
(i) Government.....	1	25	23
(ii) Non-Government (subsidised).....	58	3,734	3,193
* (iii) Non-Government (non-subsidised).....	—	—	—

* Information incomplete and unreliable.

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