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ANNUAL REPORT
ON THE
DEPARTMENT OF
COMMERCE AND INDUSTRIES
FOR THE YEAR 1955-56

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CONTENTS

Section	Subject	Paragraphs
I	INTRODUCTION	1-7
II	FUNCTIONS AND ORGANISATION	
	Functions	8-12
	Organisation	13
	Staff	14-15
III	ACCOUNTS	
	General	16
	Schemes Directly Operated by the Department	17
	Miscellaneous Accounts Operated in Lagos	18
	Coir Fibre Investigation	19
	Advice to Industries	20
	Expenditure Control	21-22
IV	COMMERCE	
	General	23-28
	Overseas Trade	29-33
	Imports	34-35
	Import Control	36-39
	Exports	40-46
	Export Control	47-48
	Trade Advisory Service	49-53
	Chambers of Commerce and Trade Associations	54-56
	Registration of Business Names	57-58
V	SHIPPING	59-61
VI	ECONOMIC PUBLICATIONS	62-67

CONTENTS—continued

<i>Section</i>	<i>Subject</i>	<i>Paragraphs</i>
VII	INDUSTRIES	
	General	68-69
	Accommodation.. .. .	70-72
	Staff	73
	Industrial Advisory Service	74-81
	Textile Testing Service	82
	Technical Advice and Assistance to Other Government Departments ..	83-90
	Visits to Other Countries	91-93
	Research, Experiments and Development Trials	94
	Fibre Development	95
	Spinning and Weaving Trials	96-98
	Groundnut Decortication	99
	Gari	100
	Textile Training	101-105
	Boatbuilding	106-113
	Industrial Extension Work	114-121
	Engineering	122
	Stores	123-124
	Aid to Pioneer Industries Ordinance	125
	Immigration	126
	Customs Tariff Advisory Committee	127-128
	Technical Education	129
VIII	LAGOS TRADE AND INDUSTRIAL ADVISORY COMMITTEE	130-131

APPENDICES

								<i>Page</i>
I	Organisation of Headquarters	..	..	..	..	..	..	28
II	Organisation of Commerce (Trade and Supplies) Branch	..	..					29
III	Organisation of Industries Branch	..	..	..	..	..	..	30
IV	Organisation of Textile Development Scheme	..	..	..	..	..	..	31
V	Statement of Revenue	..	..	..	..	..	..	32
VI	Statement of Expenditure	..	..	..	..	..	..	32

Annual Report of the Federal Department of Commerce and Industries for the Year 1955-56

I.—INTRODUCTION

This report covers the twelve months from the 1st April, 1955, to the 31st March, 1956. It is the eleventh in the series of annual reports since the Department of Commerce and Industries was formed in 1946, the seventh since it was enlarged and re-organised in 1949-50 and the second since it was further re-organised at the inception of Nigeria's first federal constitution on the 1st October, 1954.

2. The period covered by the report was one during which the Commerce Branch of the Department directed its efforts especially to assisting Nigerian merchants to secure a larger share of Nigeria's total trade, and the Publications Section to improving the standard, and enlarging the circulation of the Nigeria Trade Journal.

3. In the industrial field, in addition to carrying out its regular commitments of giving technical advice and assistance to existing and prospective entrepreneurs in the Federal Territory, and of supplying information to many industrialists who visited Nigeria from overseas with a view to becoming established in this country, the Department was able to prepare the plans necessary to give effect, in the following year, to those recommendations made by the International Bank Mission for which the Federal Government has decided to include provision in its Economic Programme for the period 1955-60. Among the industrial projects approved for implementation were the setting up of an Institute of Applied Technical Research and of an industrial estate, for which Oshodi and Yaba respectively were selected as the most suitable sites ; and the formation of a group, within the Ministry of Trade and Industry, to provide the Federal Minister with technical advice on industrial matters generally.

4. During the year considerable progress was made at Nkalagu with the construction of the £2 million cement factory, a project for which the bulk of the capital has been provided by the Federal Government.

5. Early in 1955, the first cotton drill was woven in Nigeria from cotton grown and spun locally.

6. Mr H. B. Cox continued to occupy the post of Director, but was throughout the year required for other duties, and the Department was directed by the substantive Deputy Director, Mr J. E. B. Hall. Shortly after the end of the period covered by this report Mr Hall was promoted Director with effect from the 1st October, 1955.

7. The Director served as Chairman of the Electricity Advisory Council until May 1955, when he was relieved of this task under an amendment to the Electricity Corporation of Nigeria Ordinance. He also served as Chairman of the Lagos Trade and Industrial Advisory Committee until this non-statutory body was dissolved in November 1955. He continued throughout the year in the office of Chairman of the Federal Works Registration Board and was appointed as an *ex-officio* member of the Nigerian Ports Authority with effect from the 1st April, 1955, when it was vested ; the Director had been a member of the Shadow Board of the Authority since its inception in the previous year. He continued to serve as a member of the Customs Tariff Advisory Committee. From the 23rd March to the 15th July, 1955, the Director also undertook the duties of Permanent Secretary to the Ministry of Trade and Industry.

II.—FUNCTIONS AND ORGANISATION

FUNCTIONS

8. When the Department was re-organised and enlarged in 1949-50 its principal functions were defined as follows :—

(i) to secure a larger share of the world's trade for Nigeria and a larger share of Nigeria's trade for Nigerians ;

(ii) to develop secondary industries on the widest possible scale by methods that will ensure the maximum participation by Nigerians themselves in industrial enterprise.

9. Additional responsibilities were stated to be the preparation of economic publications and surveys ; import and export control ; and supervision of the fair distribution of goods which, for balance of payments reasons, could not be freely imported into Nigeria. These functions of the Department have not been modified since. They were repeated in Sessional Paper No. 7 of 1953 (Statement of the Activities of the Department of Commerce and Industries) before the introduction of the Federal constitution, and since 1954 the Federal Government has continued to base its policy for trade and industry on the two main principles described in paragraph 8.

10. The Department is responsible to Government for the implementation of this policy, under the direction of the Federal Ministry of Trade and Industry.

11. Under the federal constitution of 1954, the Federal Legislature and Executive have exclusive jurisdiction in matters affecting trade between Nigeria and other countries, and in respect of trade and commerce *among* the Regions, the Southern Cameroons and Lagos. *Intra*-regional trade, on the other hand, is solely a regional concern. Jurisdiction in matters relating to industrial development and industrial research is shared between the Federal, Regional and Southern Cameroons Legislatures and Executives. In practical terms the effect of this allocation of functions is that the Federal Department of Commerce and Industries has exclusive responsibility throughout the Federation for the execution of federal policy in relation to external and *inter*-regional trade, but in the industrial sphere is responsible for the development of industry only within the Federal Territory of Lagos and for industrial research to the extent that it is required by the Federal Government. It has been agreed administratively that the Department will give such assistance as it can in furthering industrial development in the Southern Cameroons.

12. To enable it to fulfil its obligations in respect of trade, the Department maintains offices throughout the Regions, as well as in Lagos. Industrial activities and staff are concentrated in Lagos, though the Federal Boatyard remains on the site at Opobo in the Eastern Region which it occupied prior to the regionalisation of industry.

ORGANISATION

13. The organisation of the Department is shown in Appendices I to IV. The principal change compared with the organisation provided for the second half of the previous year, *i.e.*, with effect from the 1st October, 1954, when the federal constitution was introduced, was the abolition of the posts of Establishment Officer, Commercial Liaison Officer and Principal Canning Officer, a reduction of one in the establishment of Commercial Officers at Headquarters and an increase of two Commercial Officer posts in the regional organisation.

STAFF

14. The Tables below reflect the state of the Department's establishment at the beginning and end of the twelve-month period covered by this report.

SENIOR POSTS						
<i>Date</i>	<i>Approved Establish- ment</i>	<i>Expatriates</i>	<i>Strength Non-Expa- triates</i>	<i>Total Strength</i>	<i>Vacancies</i>	
1st April, 1955	58	40	13	53	5	
31st March, 1956	58	29	17	46	12	

JUNIOR POSTS						
<i>Date</i>	<i>Approved Establish- ment</i>	<i>Expatriates*</i>	<i>Strength Non-Expa- triates</i>	<i>Total Strength</i>	<i>Vacancies</i>	
1st April, 1955	173	3	158	161	12	
31st March, 1956	173	3	153	156	17	

*Secretary-Typist

15. As mentioned in paragraph 6 above, the effective strength of the Department was reduced throughout the period because the Director was posted for extraneous duties but retained his substantive appointment. Delay in the absorption into the Northern Regional public service of the officer occupying the federal post of Principal Industrial Officer was the cause of a further reduction in the number of posts substantively filled. Though this officer had been assigned to and was continuously employed in the Northern Region from the 1st October, 1954, he could not be replaced earlier than the date of his formal transfer to the Regional public service, which did not take effect until March 1956.

III.—ACCOUNTS

GENERAL

16. The biggest single task during the year was the conversion of the salaries of, and the calculation and payment of arrears to, the individual members of the staff in accordance with the revised salary scales introduced as a result of the Gorsuch Report. The Accounts Branch was up to strength and was able to undertake this work without detriment to its day-to-day operations, but the staff had to work long hours outside normal office time to ensure the minimum of delay in the payment of arrears.

SCHEMES DIRECTLY OPERATED BY THE DEPARTMENT

17. (i) *The Lagos Canning Factory*.—This account, covering a grant of £3,500 by the Nigeria Local Development Board, had been closed on the 31st March, 1955, and the final accounts were passed to Messrs Cassleton, Elliott and Company for audit on the 11th July, 1955.

(ii) *The Mechanical Textile Training Centre, Lagos*.—A Government grant of £750 for trading transactions was approved for the purchase of yarn, dyestuffs, chemicals, etc., for use in the manufacture of cloth. Total production of cloth during the year was 589 yards, of which 452 yards were sold together with 190 yards brought forward from the previous year.

The proceeds of sales were £78-12s-2d. A loss in yarn stock to the value of £40-6s-4d which had occurred during the previous year was written off with the authority of the Financial Secretary of the Federation. Trading and profit and loss accounts for the year were compiled and submitted for audit.

MISCELLANEOUS ACCOUNTS OPERATED IN LAGOS

18. (i) *Lagos Bank Account*.—Responsibility for most of the schemes for which this account was originally opened had already been transferred to the Regions, and only the Coir Fibre Investigation and the Mechanical Textile Training Centre (Grant) Accounts remained. Because of this there were not many transactions during the year. A Bank certificate showing the balance in the account as at the 31st March, 1956, was submitted to the Director of Federal Audit.

(ii) *Direct Supply Indent Account with the Crown Agents*.—No indents on this account were placed during the year nor are any likely to be in the future, as the responsibility for the schemes for which the account was originally opened has passed to the Regions. There was a sum of £464-15s-8d standing to the credit of the Department as at the 31st March, 1956, which, after providing for sundry bad or doubtful debts is available for distribution among the various schemes.

(iii) *Duala Yarn Account*.—Trading and profit and loss accounts for the year ended the 31st March, 1956, were submitted to the Director of Federal Audit, and the revenue account was reconciled with the books of the Accountant-General of the Federation.

(iv) *Departmental Publications*.—The Nigeria Trade Journal and the Handbook of Commerce and Industry in Nigeria are not produced on a commercial basis but primarily as "prestige" publications designed to disseminate economic information about Nigeria, both at home and overseas. With this main object in view, many copies of both publications are distributed free and, although revenue from sales and from advertisements in the Nigeria Trade Journal helps appreciably to offset production costs, a profit and loss account would present a somewhat misleading picture. Accordingly, no such account was prepared. Records were, however, kept of the numbers of both publications sold for cash, of copies distributed through retail shops in Nigeria on a sale-or-return basis and of annual subscriptions to the Nigeria Trade Journal. The proceeds of sales were credited to Revenue (Head 9—Earnings of Government Departments and Revenue from Government Property, Sub-head 23, Sale of Publications—General)

COIR FIBRE INVESTIGATION ACCOUNT

19. A grant of £3,500 made by the Colony Development Board in June 1954, was paid into a bank account and used to defray the costs of these investigations (see also paragraph 95 (i) below). Expenditure from this account was additional to expenditure in the 1955-56 Estimates for Fibre Investigations.

ADVICE TO INDUSTRIES

20. Accounting assistance was given to one private enterprise and to one Nigerian limited liability company in the preparation and maintenance of their accounts.

EXPENDITURE CONTROL

21. In anticipation of the deletion from the Estimates for 1956-57 of the post of Senior Accountant, of the transfer of one of the two posts of Accountant to the Industrial Schemes Section and of the impending retirement of the remaining Accountant, the combined effect of which would be to leave the Headquarters Accounts Section without any senior posts, a system of supervision of expenditure by Heads of Branches was introduced on the 23rd February, 1956.

Briefly, this system required the officer-in-charge of the Accounts Section to report at the beginning of every month to each of the senior officers designated details of all outstanding liabilities against, and of all charges debited during the previous month to, those sub-heads of the Estimates for which the particular officer was responsible.

22. The details of revenue and expenditure are given in Appendices V and VI.

IV.—COMMERCE

GENERAL

23. In stating Federal Government policy in respect of commerce, it has already been mentioned in paragraph 8 above that one of the Department's most important functions is to assist Nigerians to secure a larger share of Nigeria's trade. During the year under review, the Commerce Branch continued to direct its energies to fulfilling this objective with a degree of success which, can be measured in terms of the greatly increased number of documentary credits opened by Nigerian firms operating as direct importers.

24. The development of trade was encouraged by planned commercial and industrial expansion in many places, Kano, Kaduna, Jos, Port Harcourt and Onitsha being the most notable. The tendency observed in previous years for Nigerian firms to enter into partnership with expatriate interests was maintained to the advantage of the participants on both sides.

25. The visit in January and February 1956, of Her Majesty the Queen and His Royal Highness the Duke of Edinburgh provided a considerable fillip to trade and at the same time aroused great interest in Nigeria abroad. The Royal Tour was followed by a marked increase in the number of businessmen coming to this country from overseas to investigate the opportunities for entering the Nigerian market. In several instances also, visits to Commonwealth and foreign countries undertaken by official economic delegations from Nigeria resulted in return visits being paid by representatives of firms whose interest in the potentialities for capital investment in the Federation had been aroused. In the event, a number of new enterprises were established.

26. The Federation of British Industries sent a two-man Mission to West Africa for a six-weeks' visit, at the end of March 1955, to study current prospects for trade and industry in Nigeria and the Gold Coast. The Mission's report provoked wide discussion.

27. Increasing use was made of the Department's branch offices at Kano, Port Harcourt, Onitsha and Ibadan. A sub-office was opened at Sapele, and arrangements for opening at Akure were well in hand at the close of the year.

28. Supplies were adequate throughout the year and distribution was greatly facilitated by improved communications. Major extensions to the Apapa Quays enabled ships to be turned round far more quickly than in the past and the putting into service of new railway engines and rolling-stock resulted in a notable increase in the speed of delivery to and evacuation from the ports. At the same time the vast expenditure by the Federal and Regional Governments on roadworks proved its value by reducing both the cost and the time involved in distributing supplies by road. Decreases in internal freight charges were, however, more than offset by higher shipping rates, and there was a tendency for market prices of imported goods to rise above the level of the previous year.

OVERSEAS TRADE

29. The figures quoted in this and the following paragraphs refer to the calendar year 1955. Imports continued at a high level and the fact that sources of supply were diverse and plentiful enabled importers to obtain their goods in the most competitive markets. The ratio between imports of manufactured goods and of capital equipment remained virtually unchanged. There was, however, a notable increase in the number of lorries imported—an increase accompanied by an expansion both of vehicle servicing facilities and of the installations for the bulk storage of petroleum products at the ocean terminals and up-country.

30. The value of overseas trade in 1955, at £268 million, was higher than in any previous year. This total compares with £263 million in 1954, £233 million in 1953 and with an annual average of less than £20 million in the immediate pre-war period.

31. For the first time since 1922, however, the balance of trade turned against Nigeria and total imports exceeded exports and re-exports by £4.7 million. This adverse balance, which contrasts with a favourable balance of £35 million in 1954 and of £16 million in 1953, was the combined result of an increase of £21.7 million in the value of imports and of a decrease of almost £17 million in that of exports and re-exports. The tonnage of goods exported was actually 7,000 tons greater than in the previous year, and it was the drop in overseas market prices, and not lower production, which caused the decline in the total value of exports.

32. Comparative values of imports and exports (including re-exports), for the years 1954 and 1955 were :—

	1954	1955
	£	£
Imports.. .. .	114,069,372	135,765,986
Exports and Re-exports	149,229,397	132,239,590
Total Overseas Trade.. ..	<u>£263,298,769</u>	<u>£268,005,576</u>

33. An analysis of imports by country of origin shows that the Sterling Area strengthened its position *vis-a-vis* the non-Sterling Area and supplied a greater percentage of goods in 1955 than in 1954—the United Kingdom supplied 47 per cent of all Nigeria's imports and, compared with the previous year, the value of imports from that source increased by £11.8 million or nearly 23 per cent, while those from O.E.E.C. countries declined slightly. An improvement in the Sterling Area's balance of payments position with Japan enabled a much larger range of goods to be licensed from that source, with the result that in 1955 Japan took the place occupied in the previous year by Western Germany as Nigeria's second best supplier.

IMPORTS

34. The value of imports by countries of origin was :—

	1954	1955
<i>Scheduled Territories (Sterling Area)</i>	£'000	£'000
United Kingdom.. .. .	51,701	63,530
Hong Kong	1,488	2,224
India and Pakistan	7,253	7,907
South Africa	429	616
Other Countries	714	1,286
Total	<u>61,585</u>	<u>75,563</u>

Non-Scheduled Territories (Non-Sterling Area)

						£'000	
						1954	1955
Belgium/Luxembourg	..	..	..	..	..	2,123	1,885
Canada	..	..	..	..	..	671	390
Czechoslovakia	..	..	..	..	..	1,309	1,526
France and French Possessions	..	..	..	..	..	1,901	1,902
Germany (Western)	..	..	..	..	..	10,373	9,725
Italy and Trieste	..	..	..	..	..	3,517	3,816
Japan	..	..	..	..	..	9,351	16,653
Netherlands	..	..	..	..	..	4,375	4,703
Netherlands Possessions	..	..	..	..	..	2,446	1,103
Norway	..	..	..	..	..	3,532	3,657
United States of America	..	..	..	..	..	5,384	5,481
Other Countries	..	..	..	..	..	5,772	7,494
Total						50,574	58,335
Parcel Post	..	..	..	..	..	1,730	1,868
Total Imports						£ 114,069	£ 135,766

35. The principal imports, by quantity and value, are given in the following comparative table :—

<i>Commodity</i>						<i>Year</i>	<i>Unit</i>	<i>Quantity</i>	<i>Value</i> £'000
<i>Food</i>									
Flour	..	..	..	..	..	1954	Tons	27,799	1,732
						1955		28,951	1,766
Stockfish	..	..	..	..	..	1954	Tons	22,762	5,233
						1955		21,180	4,778
Sugar	..	..	..	..	..	1954	Tons	38,208	2,108
						1955		43,343	2,439
<i>Beverages and Tobacco</i>									
Ale, beer, stout and porter	..	..	..	..	..	1954	'000	4,767	2,265
						1955	Gals.	5,675	2,729
Unmanufactured tobacco	..	..	..	..	..	1954	Tons	3,123	1,642
						1955		2,742	1,599
<i>Crude Materials</i>									
Salt	..	..	..	..	..	1954	Tons	91,423	1,409
						1955		98,173	1,535
<i>Mineral Fuels, etc.</i>									
Petroleum oils	..	..	..	..	..	1954	'000	95,137	5,118
						1955	Gals.	110,435	5,866
<i>Chemicals</i>									
Medical preparations	..	..	..	..	..	1954	Value	—	1,674
						1955		—	2,612
<i>Manufactured Goods</i>									
Cement	..	..	..	..	..	1954	Tons	368,108	3,065
						1955		425,095	3,631
Constructional steel	..	..	..	..	..	1954	Tons	47,717	2,952
						1955		49,140	3,028
Cotton piece goods	..	..	..	..	..	1954	'000	172,135	16,487
						1955	sq. yds.	205,399	18,033

<i>Commodity</i>	<i>Year</i>	<i>Unit</i>	<i>Quantity</i>	<i>Value £'000</i>
<i>Manufactured Goods—continued</i>				
Corrugated iron sheets	1954	Tons	40,481	3,557
	1955		44,874	3,709
Household utensils	1954	Tons	17,542	3,487
	1955		16,104	3,166
Jute bags	1954	'000	15,813	1,610
	1955		20,363	2,317
Paper and board	1954	Value	—	999
	1955		—	1,483
Rayon piece goods	1954	800	82,297	10,423
	1955	sq. yds.	104,521	9,893
Tyres and tubes	1954	'000	2,257	1,631
	1955		2,603	1,848
Yarn	1954	Tons	980	696
	1955		1,229	1,834
Aircraft and parts	1954	Value	—	370
	1955		—	917
Boats, barges, etc.	1954	Number	92	513
	1955		85	505
Cars and kitcars	1954	Number	3,867	2,114
	1955		6,670	3,642
Cycles	1954	Number	168,296	1,713
	1955		180,652	1,911
Electrical machinery and apparatus	1954	Value	—	3,075
	1955		—	4,666
Lorries and chassis	1954	Number	3,765	3,041
	1955		5,578	4,536
Railway rolling stock	1954	Value	—	1,785
	1955		—	2,841
Road construction, mining and conveying plant	1954	Value	—	1,986
	1955		—	1,731
<i>Miscellaneous Manufactured Articles</i>				
Clothing	1954	Value	—	2,238
	1955		—	2,681
Footwear	1954	Value	—	1,923
	1955		—	2,069
<i>Other Goods (including parcel post)</i>				
	1954	Value	—	29,223
	1955		—	38,001

IMPORT CONTROL

36. Only minor changes in the Import Control Regulations were made during the year. Under Legal Notices Nos. 57 and 58 of 1955, published in the *Official Gazette* No. 23 of the 26th May, 1955, the following commodities were removed from open general import licence and placed on specific licence :—

Motor spare parts
Cigarettes
Tobacco, manufactured
Tobacco, unmanufactured

37. Dollar expenditure on essentials not available from sterling or soft-currency sources continued to be restricted, though Nigeria's expanding needs, not only of capital goods but also of consumer items, such as flour, necessitated a higher level of dollar spending than before.

38. In spite of the liberalisation of imports from non-programmed sources, Japanese goods continued in great demand and there was constant pressure from all sections of the trade for import licences for goods from Japan. Imports from countries in the Soviet Bloc remained subject to specific licence but, with a few exceptions, licences were freely granted.

39. The policy of progressive liberalisation of imports is reflected in the following table (which relate to the Import Control office at Headquarters only) :—

	1955-56	1954-55
Applications received for import licences	6,325	7,252
Import licences issued	5,876	6,301
Interviews in connection with licensing	1,505	2,219
Incoming letters (excluding licence applications)	3,305	5,821
Outgoing letters (including licences)	4,485	9,287

EXPORTS

40. With the completion by the United States Government of its programme for the stockpiling of columbite, and with the simultaneous withdrawal of the incentive premium, the producers went through a period of anxiety. There was a marked recession of activity, but this was not immediately felt as there were still a number of outstanding contracts to be completed when the United States' decision to stop purchasing was reached. Nevertheless, alternative markets had to be found and although the producers were moderately successful in their efforts, they had to accept greatly reduced prices.

41. Some locally manufactured goods and a variety of Nigerian foodstuffs were exported to the United Kingdom for the benefit of students in that country.

42. Owing to unfavourable climatic conditions and plant diseases, exports of cocoa and bananas were below normal. Measures taken to control disease were not unsuccessful, particularly in the Western Region, but cocoa from the Southern Cameroons was only saleable at a discount because of unsatisfactory drying. The lower world prices for other Nigerian produce were partially offset by an increase in the total tonnage exported, but the aggregate value of exports was lower than in previous years.

43. For fuller details of exports of commodities handled by the Marketing Boards, reference should be made to the Annual Report of the Department of Marketing and Exports.

44. Of the net decrease of £17 million (11.4%) in the value of exports in 1955 compared with the previous year, £15.9 million was in respect of exports to the Sterling Area, and of this amount all but £500,000 was accounted for by reduced sales to the United Kingdom. The United Kingdom, nevertheless, remained Nigeria's best customer, though taking a rather smaller proportion of Nigeria's total exports in 1955 (68.5%) than in 1954 (71%). A decrease of £3.6 million in the value of sales to the United States was largely offset by increased exports to the O.E.E.C. countries.

45. The value of exports by countries of destination was :—

	1954	1955
<i>Scheduled Territories (Sterling Area)</i>		
United Kingdom	106,011	90,591
South Africa	198	50
Gold Coast	628	667
India	436	168
Other Countries	438	370
	107,711	91,846

	1954	1955
<i>Non-Scheduled Territories (Non-Sterling Area)</i>		
Belgium/Luxembourg	1,111	1,456
Canada	252	244
Czechoslovakia	134	256
France and French Possessions	2,306	3,187
Germany (Western)	4,551	4,263
Italy and Trieste	3,380	3,207
Netherlands	9,603	9,979
Norway	547	1,167
United States of America	15,725	12,133
Other Countries	3,637	4,124
Total	41,246	40,016
Ships' Stores	138	190
Parcel Post	134	188
Total Exports	£149,229	£132,240

46. The principal exports, by quantity and value, are shown in the following comparative table :—

<i>Commodity</i>					<i>Year</i>	<i>Unit</i>	<i>Quantity</i>	<i>Value</i> £'000
<i>Food</i>								
Bananas, fresh	..	..	..	..	1954	Tons	81,250	2,863
					1955		66,976	2,344
Cocoa	..	..	..	..	1954	Tons	98,374	39,261
					1955		88,413	26,187
Coffee	..	..	..	..	1954	Tons	607	210
					1955		720	214
Groundnut Cake	..	..	..	..	1954	Tons	40,776	1,460
					1955		38,286	1,421
Spices	..	..	..	..	1954	Tons	1,190	157
					1955		1,210	173
<i>Crude Materials</i>								
Benniseed	..	..	..	..	1954	Tons	15,220	975
					1955		12,978	883
Columbite	..	..	..	..	1954	Tons	2,525	5,142
					1955		3,047	5,167
Copra	..	..	..	..	1954	Tons	6,536	477
					1955		7,057	446
Cotton	..	..	..	..	1954	Tons	25,959	7,350
					1955		33,174	9,380
Cotton seed	..	..	..	..	1954	Tons	36,578	645
					1955		51,991	1,245
Groundnuts	..	..	..	..	1954	Tons	427,868	29,900
					1955		396,904	23,134
Gum arabic	..	..	..	..	1954	Tons	729	90
					1955		1,709	191
Hides and skins	..	..	..	..	1954	Tons	9,005	3,358
					1955		9,450	3,202

Commodity					Year	Unit	Quantity	Value £'000
<i>Crude Materials—continued</i>								
Kapok	..	..	..	..	1954	Tons	689	102
					1955		514	108
Palm kernels	..	..	..	..	1954	Tons	464,111	22,791
					1955		433,234	19,196
Piassava	..	..	..	..	1954	Tons	2,642	246
					1955		2,664	196
Rubber	..	..	..	..	1954	Tons	20,823	2,909
					1955		30,381	5,577
Soya beans	..	..	..	..	1954	Tons	9,842	412
					1955		9,975	341
Timber—logs	..	..	..	..	1954	'000	10,258	2,782
					1955	cubic feet	14,504	3,728
Timber—sawn	..	..	..	..	1954	'000	1,279	727
					1955	cubic feet	1,517	881
Tin	..	..	..	..	1954	Tons	10,309	5,171
					1955		11,399	5,868
<i>Minerals Fuels, etc.</i>								
Coal	..	..	..	..	1954	Tons	25,595	52
					1955		99,976	261
<i>Vegetable Oils</i>								
Groundnut oil	..	..	..	..	1954	Tons	30,633	3,757
					1955		38,628	3,152
Palm oil	..	..	..	..	1954	Tons	208,030	13,431
					1955		182,143	13,151
<i>Manufactured Goods</i>								
Leather	..	..	..	..	1954	Tons	65	57
					1955		86	80
Plywood	..	..	..	..	1954	Value	—	559
					1955		—	738
Veneers	..	..	..	..	1954	cubic feet	25,106	15
					1955		29,951	17
<i>Other Goods (including re-exports and parcel post)</i>								
	..	..	..	..	1954	Value	—	4,330
					1955		—	4,959

EXPORT CONTROL

47. An outbreak of foot-and-mouth disease in the Northern Region caused a temporary ban to be imposed on the export of pigs and pig products ; otherwise there was no change in the regulations. The ban lasted only a short time and exports were resumed as soon as the epidemic had subsided.

48. Export licences issued in 1955-56 numbered 23,118, compared with 22,615 in 1954-55.

TRADE ADVISORY SERVICE

49. The staff of the Commerce Branch again devoted a great deal of their time to assisting businessmen, both in Nigeria and overseas, through the medium of the Trade Advisory Service. This service consists of :—

(i) supplying to overseas enquirers status reports on firms trading in Nigeria ;

- (ii) supplying to Nigerian firms status reports on overseas firms trading in Nigeria ;
- (iii) supplying to overseas firms lists of recommended Nigerian importers and exporters ;
- (iv) supplying to Nigerian firms lists of overseas importers and exporters ;
- (v) maintaining trade libraries for the benefit of local firms and individuals desiring to study market conditions, trade particulars, etc., overseas.

50. Requests for status reports, as in previous years, were received direct from merchants, through consular representatives in Lagos or through the Trade Commissioner for Nigeria in London. 4,638 reports were prepared during the year.

51. Efforts to arrange the amicable settlement of trade disputes continued, but in cases in which all attempts to effect reconciliation or a compromise proved abortive, there was no alternative to advising recourse to legal proceedings. Out of 676 complaints received during the year, 446 were eventually settled through the efforts of officers of the Department. Where fraud was apparent, the Criminal Investigation Department (Fraud Section) was brought in and the cases handed over to them for action. During the year 19 criminal proceedings were instituted, which resulted in five convictions and nine acquittals. Five cases were pending at the end of the year.

52. The lists of recommended importers and exporters sent out to enquirers produced many business contacts. In addition, useful publicity was given, through the medium of the Nigeria Trade Journal, to trade enquiries by overseas exporters seeking Nigerian suppliers and by overseas exporters desiring to negotiate with Nigerian buyers. This service also resulted in many Nigerian firms which responded to the Trade Journal enquiries being introduced to new opportunities for participation in overseas trade.

53. There were over 600 visitors to the Trade library in Lagos alone. Similar but smaller libraries were maintained at Kano, Port Harcourt, Onitsha, Ibadan and Sapele.

CHAMBERS OF COMMERCE AND TRADE ASSOCIATION

54. Liaison was maintained with existing chambers of commerce and trade associations and the Department continued to encourage the establishment of new associations. In the Western Region, associations were started in Benin, Sapele, Warri and Ondo. Officers of the Commerce Branch paid frequent visits both to these and to the associations previously formed in Ijebu-Ode and Shagamu, and gave them advice and assistance in organising themselves. Associations in the Eastern Region at Aba, Port Harcourt and Onitsha were similarly helped.

55. At all these places, officers of the Department periodically attended meetings of the associations. This enabled them both to communicate the views of Government on trade and industrial matters and to smooth out any difficulties which the associations or their members might be experiencing in their dealings either with the Department or with other official bodies.

56. A noteworthy development was the emergence of a tendency for trade associations to organise on the basis of particular trades, examples being the Nigeria Timber Association, the Nigerian Rubber Dealers' Association and associations of stockfish dealers and second-hand clothing importers.

REGISTRATION OF BUSINESS NAMES

57. The processing of applications for the registration of business names emanating from firms outside the Federal Territory of Lagos was delegated to the Principal Commercial Officer in charge of the main office of the Federal Department in each Region. This made it possible to complete the processing of applications more rapidly but, because of the provisions of the Ordinance it was still necessary for certificates to be issued centrally in Lagos, since the Registrar (the Director of Commerce and Industries) is not empowered to delegate his authority in this matter.

58. Comparative statistics of business names registered were :—

	1955-56	1954-55
Number of applications received ..	8,355	9,661
Number of certificates issued ..	5,600	6,314
Revenue collected	£3,045 8 0	£3,262 2 6

V.—SHIPPING

59. During 1955, 1,590 ships, of a total net registered tonnage of 3,172,404 tons, entered Nigerian ports from overseas. These ships discharged 2,011,008 tons of cargo from abroad and loaded 1,977,974 tons for foreign ports, divided amongst the main ports as follows :—

Port	Tons	
	Cargo Unloaded	Cargo Loaded
Lagos	1,355,150	880,903
Sapele	63,240	282,768
Warri	54,469	48,060
Burutu	58,574	58,044
Degema	3,310	85,364
Port Harcourt	390,134	437,360
Calabar	48,445	106,530
Victoria	21,249	9,795
Tiko	16,437	69,146
	<u>2,011,008</u>	<u>1,977,970</u>

60. By comparison, in 1954, 1,418 ships entered Nigerian ports, discharging 1,653,787 tons of cargo and loading 1,971,410 tons for overseas destinations.

61. The figures above exclude coast-wise traffic which was approximately 225,000 tons loaded and unloaded in 1954, and 320,000 tons in 1955.

VI.—ECONOMIC PUBLICATIONS

HANDBOOK OF COMMERCE AND INDUSTRY IN NIGERIA

62. The first edition of the Handbook of Commerce and Industry in Nigeria was published in 1952 and the second in 1954. Demand for the second edition was such that a reprint of 2,000 copies had to be ordered and by the 31st March, 1956, these in turn were almost sold out. The work of compiling material for the third edition was started during the year.

NIGERIA TRADE JOURNAL

63. Circulation of the Trade Journal continued to expand and sales reached approximately 2,000 copies per issue. In addition, complimentary copies of each issue were sent to all members of the Federal and Regional legislatures and to Government Departments, Statutory Corporations, chambers of commerce and trade associations in Nigeria, and to consular representatives in

Nigeria and overseas. With the object of ensuring wide and up-to-date publicity for Nigeria in business circles abroad, free issues of the Trade Journal were also made to chambers of commerce, trade associations and leading business houses in the United Kingdom and, through the U.S. Department of Commerce, to trade associations in the United States.

64. Each issue of the Trade Journal contained information on market conditions and trends in Nigeria, a review of overseas trade, statistics of imports and exports, returns of new company registrations and patents, official announcements on matters connected with trade and industry, particulars of Marketing Board crops and prices and illustrated articles featuring economic development in the Federation.

65. Beginning with the issue for January/March 1956 (Volume 4, No. 1), it was decided to accept advertisements. All space in the 35 pages allocated for advertising in that issue was rapidly sold and, from the number of enquiries received it was apparent that the demand for advertising through the medium of the Trade Journal was far greater than had been expected. It was decided, nevertheless, to limit the number of pages reserved for advertisements to a number not greater than the total reserved for text, the purpose being to preserve the dignity proper to an official publication and not allow it to degenerate, as many present-day commercial papers have done, into a mere vehicle for advertising.

66. All advertisements were channelled through two representatives, the Nigerian Bureau of Publicity in Nigeria and the Colonial Press Agency in the United Kingdom.

67. A series of four articles which had previously appeared in the Trade Journal were reprinted as a pamphlet and published, at the end of 1955, under the title "The Setting Up of an Industrial Enterprise in Nigeria." This pamphlet was put on sale at a price of 1/- per copy and proved very popular.

VII.—INDUSTRIES

GENERAL

68. The year under review was an extremely important one for the Industries Branch of the Department, for during this period detailed proposals were formulated to give effect to the Federal Government's policy for industrial development. These proposals were based on the recommendations contained in the Report of the International Bank Mission* and received the approval of the Legislature at the end of the year. They are embodied in the *Economic Programme of the Government of the Federation of Nigeria, 1955-60* (Sessional Paper No. 2 of 1956).

69. In outline the Federal Government's proposals for the development of industry cover :—

(a) The setting up of an institute of applied technical research which would initially form a branch of the Department but in due course become autonomous within the Ministry of Trade and Industry. The institute would take over and expand the programme of research and development previously undertaken by the Industries Branch of the Department.

(b) The formation within the Ministry of an industrial advisory group which would assume responsibility for advising both local and overseas businessmen on all matters affecting industrial development within the Federation. In performing this function, the advisory group would act in conjunction with the Regional Ministries concerned. It was also to be responsible for providing the Federal Minister with technical advice on all aspects of Federal industrial policy.

* *The Economic Development of Nigeria*, Federal Government Printer, Lagos, 1954.

(c) The establishment of a Federal loans board, to administer funds for the assistance, by way of loans, to small and medium-scale industrial enterprise. It was proposed that such assistance should be available to projects anywhere in the Federation, though intended primarily for those operating in the Federal Territory.

(d) The provision of funds for the financing of large industrial projects anywhere in the Federation, either entirely, or in conjunction with Regional Governments or private enterprise.

(e) The setting up of an industrial estate in Lagos to provide good workshop accommodation for small entrepreneurs at reasonable rentals.

(f) The allocation of responsibility to the residual Industries Branch of the Department for carrying out industrial extension work within the Federal Territory, for building and managing the industrial estate, for administering the Federal Experimental Boatyard at Opobo, and for staffing and managing the Mechanical Textile Training Centre in Lagos.

ACCOMMODATION

70. For a number of years the Department had been handicapped by having to carry out its research and experimental work in a number of different places. Its only laboratory was situated at Aba in the Eastern Region ; mechanical experiments were conducted outside Lagos in a building shared with the Federal Fisheries Service at the Victoria Beach Road ; experiments in the production and utilisation of fibres were undertaken in a temporary building at the far end of Lagos Island ; textile testing equipment was dispersed between the Mechanical Textile Training Centre in Moloney Street and a room at Headquarters.

71. Early in the year, a 22-acre site was acquired at Oshodi, some nine miles from Lagos on the Abeokuta road. Although not entirely suitable, this site had certain advantages, not the least of which was that it contained a number of wooden buildings. These, although in a bad state of repair, were not beyond re-conditioning at a cost within the resources of the Department, and in June 1955, the work of converting them was put in hand.

72. By the end of March 1956, an area covering 15,000 sq. ft. within the original buildings had been turned into passable accommodation for a laboratory (the equipment for which was moved from Aba), a light machine shop, an air-conditioned physical testing room, a dark-room and a workshop for fibre experiments.

STAFF

73. The work of the Branch was retarded by the resignations half-way through the year of the Principal Engineer and of an Industrial Officer, and also by the fact that, as already mentioned in paragraph 15 above, although the services of the Officer who had formerly held the appointment of Principal Industrial Officer were no longer available to the Federal Department, he still technically occupied the post and it was therefore impossible to replace him.

INDUSTRIAL ADVISORY SERVICE

74. *Technical Information Service.*—The volume of work handled by this Section increased steadily during the year. The technical library was further expanded by the acquisition of some 500 books and reports on scientific and industrial subjects, and it was evident from the large number of visitors to the library in search of information that the service was appreciated by Nigerian and expatriate entrepreneurs alike.

75. *Industrial Abstracts.*—Circulation of the bulletin issued every two months by this Section of the Department rose to over 350 copies per issue. During the year, 303 requests were received for copies of articles which had been reviewed in the bulletins.

76. *Technical Research Papers*.—Five papers were published, with the following titles :—
 (i) The Dyeing and Bleaching of Nigerian Fibres other than Cotton ;
 (ii) The Yield of Fibre from *Sunn* Hemp Growing Trials, 1954-55 ;
 (iii) A Survey of the Types of Palm Fruit supplied to Palm Oil Mills in the Eastern Region ;

(iv) A Study of the Loss of Palm Oil in the Fibrous Mat ;

(v) Experiments in Groundnut Decortication.

77. A further technical paper entitled "Indigo Dyeing and Research on Ancient and Modern Methods in Nigeria" was in course of preparation at the close of the year.

78. A small exhibition was arranged concurrently with the Budget Meeting of the House of Representatives in February-March 1956. Among the exhibits were samples of local pottery, cloth made from Nigerian cotton, matting and ropes made from Nigerian fibres, mattresses and other products of local manufacture such as soap, paper, nails, metal containers, tinned foods, aluminium castings, beer, mineral waters, bread and cigarettes.

79. *Industrial Consultations*.—An increasing number of written enquiries on industrial subjects was received from Nigerians and overseas businessmen, as well as from other Government Departments both in Nigeria and abroad.

80. In addition to a large number of businessmen who required general information on various aspects of Nigerian industry, over 80 individuals, of whom 34 were from overseas, called to discuss specific industrial problems.

81. Amongst the many subjects covered by these enquiries were :—

Baking	Investment in industry
Biscuit manufacture	Log-mill machinery
Boatbuilding	Match manufacture
Bootpolish manufacture	Metals, ferrous and non-ferrous, manufacture and fabrication
Brewing	Oil expression
Brick and tile making	Olive oil manufacture
Car-battery manufacture	Paint manufacture
Cashew-nut processing	Pharmaceuticals manufacture
Cement manufacture from local materials	Playing-cards manufacture
Cement manufacture from imported clinker	Prefabricated buildings
Chemicals manufacture	Printing
Clothing manufacture	Refrigeration
Coal products	Rice milling
Distillation of alcohol	Road construction
Electrical engineering	Rubber-soled shoe manufacture
Fibres	Soap manufacture
Glue and gelatine plant	Soft drinks and mineral waters manufacture
Hides and skins processing	Spinning, weaving and dyeing
Hotels	Sugar refining
Industrial estates	Textile machinery, supply of
Industrial gases, bulk storage and use	Tubular metal furniture manufacture
Industrial gases, oxygen and acetylene manufacture	Vehicle and bicycle assembly plant
Insurance	Venetian-blind manufacture
	Warehousing

TEXTILE TESTING SERVICE

82. Written test reports were issued on 60 textile samples submitted by importers requiring technical support for their claims that goods supplied were not up to the quality ordered or did not conform with the shipping samples. In addition to these written reports, over 100 verbal opinions were given. On a number of occasions a second opinion was obtained, usually that of the Manchester Chamber of Commerce, but no cases have been reported in which the second opinion differed materially from that given by the Department.

TECHNICAL ADVICE AND ASSISTANCE TO OTHER GOVERNMENT DEPARTMENTS

83. At the request of the Northern Regional Government, advice was given on the utilisation of natural fibres growing in the Region, and on the possibility of establishing a factory for the manufacture of sacks. Demonstrations in dyeing were given in Ilorin.

84. The Government of the Eastern Region asked for advice on the setting up of a sack factory in that Region and for a report on the condition of a textile mill in the French Cameroons which the Regional Government considered might be suitable for purchase and re-erection in Nigeria. The report prepared by the Department, following a detailed survey of the mill, resulted in the project being abandoned.

85. Advice on the establishment of small laboratories in the Eastern Region was given to the Regional Government and the Regional Development Corporation.

86. Investigations into the industrial uses of coir were continued on behalf of the Western Regional Government (*see also* paragraph 95 below). At the Regional Government's request an officer visited Dahomey to examine the methods used in that territory in the manufacture of desiccated coconut.

87. Advice on the weaving of curtains and furnishings for the new Western House of Assembly was given to the Textile Training Centre at Oyo.

88. A launch imported by the recipient of a loan from the Western Region Production Development Board was examined by a technical officer of the Department at the Board's request.

89. At the request of the Southern Cameroons Government, two officers carried out an extensive tour of that territory.

90. Drawing and construction details of craft designed at the Federal Experimental Boatyard at Opobo were supplied to the Regional Boatyards at Opobo and Epe.

VISITS TO OTHER COUNTRIES

91. *West Africa.*—The visits to the French Cameroons and Dahomey for the particular purposes described in paragraphs 84 and 86, provided the officers concerned with an opportunity to see something of the general state of industrial development in those territories. In addition, an officer of the Department attended a conference at Accra, organised by the West African Library Association. This enabled him to visit various industrial enterprises in the Gold Coast.

92. *The United States of America.*—At the expense of the businessman concerned, an officer was made available to visit a lead-acid battery plant in California and report on the suitability of the special manufacturing processes which the local industrialist wished to introduce into Nigeria.

93. *Europe*.—Officers of the Department visited a number of industrial undertakings, including textile and jute mills, knitting factories, boatyards, engineering plants, a paper mill and a large modern brick-works.

RESEARCH, EXPERIMENTS AND DEVELOPMENT TRIALS

94. *Laboratory Investigations*.—As mentioned in paragraph 72 above, the Department's laboratory was moved during the year from Aba to Oshodi. This move interrupted the normal routine of the unit for several months, but nevertheless much useful work was done, including:—

Dyeing.—The use of azoic dyestuffs, previously unknown to Nigerian hand-weavers and traditional dyers, was demonstrated at Aba and Kano.

(ii) *Silk-screen printing*.—Experiments were made with the preparation of silk screens by the photographic method for use with azoic dyes on naphthol-prepared cloth. Soluble vat dyes and new types of vat pigments in precondensed resin emulsions, marketed as helizarin dyes or aridyes, were also investigated.

(iii) *Fibres*.—(a) A system was devised for the chemical analysis of hard fibres, and a number of fibres were retted by differing techniques and examined for cellulose, lignin, inorganic matter, moisture and mineral matter.

(b) The chemical composition, and bleaching and dyeing properties of pineapple fibre were studied.

(c) Experiments on the degumming of *ramie* both in the green and dried state, were continued. Methods of preparing batching emulsions for hard fibre spinning were improved.

(iv) *Foodstuffs*.—(a) The shelf-life of *gari* and of *gari*-groundnut flour mixtures was investigated. *Gari* stored for a long time in a polythene container did not deteriorate.

(b) Storage tests, carried out under controlled humidity conditions, showed that the shelf-life of stockfish can be considerably extended if humidity is regulated.

(c) Much work was done on the preservation of palm wine. The results were sufficiently encouraging for an entrepreneur in the Eastern Region to whom they were communicated to start bottling palm wine on a commercial scale.

(d) Work was continued on the preparation of desiccated coconut and on the study of moulds and discoloration appearing on copra.

(v) *Agricultural waste products*.—Further samples of chipboard were made, using as fillers a variety of synthetic resin precondensates and woodshavings, groundnut husks, coir dust and sawdust. Much further research will be necessary before proposals for the local manufacture of chipboard can be formulated.

FIBRE DEVELOPMENT

95. (i) *Coir*.—The coir decortication trials started during 1954-55 were continued. The pilot plant was operated over long periods and entirely under Nigerian supervision in order to simulate actual working conditions on a commercial basis. By the end of the year, the results showed that saleable fibre can be produced at less than 2d. per lb. which means that it is possible to make mattresses locally at an economic price. A full report on the scheme will be produced.

(ii) *Pineapple*.—The experimental decortication of pineapple fibre showed that excellent fibres can be made. The project is, however, unlikely to be viable except as a small specialised business, or combined with the growing of pineapples on a plantation scale.

(iii) *Sunn Hemp*.—The Western Region Department of Agriculture agreed to extensive cultivation trials at Moor Plantation, Ibadan, Ado Ekiti and Akure. Some of the resultant stems were retted in Lagos and the remainder at Ado Ekiti, by a member of the Department's

staff. The detailed information on yields is being studied. The fibre from these trials was subjected to batching, hackling, spinning, dyeing and weaving trials. Samples submitted through the Colonial Products Laboratory received most favourable reports from trade users, but the cost of production in Nigeria is still far too high for the development of an export trade. Further growing trials were undertaken at the University College, Ibadan, the stems being retted by the Department in Lagos. A considerable stock of seed was built up.

(iv) *Urena Lobata*.—Variety trials of *urena lobata* grown at Agege were not promising, but some useful fibre was produced.

SPINNING AND WEAVING TRIALS

96. Further experiments were undertaken with the object of finding commercial end uses for fibres produced. These included :—

- (a) coconut matting, woven on broad looms from yarns spun from coir ;
- (b) matting and carpets in a variety of colours from *rama* and *urena* fibre ;
- (c) mattresses and cushions filled with coir ;
- (d) fine yarn, produced on spinning wheels from *pineapple*, *sida*, *bolo-bolo*, *rama* and *urena lobata*. The pineapple yarn was successfully woven into cloth on power looms at the Mechanical Textile Training Centre ;
- (e) twines suitable for fishing line and nets, from cotton yarn.

97. A rope walk was installed at Oshodi and was used to spin and double coir, *rama* and *sun* hemp.

98. Attention was especially directed to assessing the economics both of new processes and of those developed during earlier years. These investigations are to continue.

GROUNDNUT DECORTICATION

99. An officer of the Department, on loan to the Northern Regional Government continued a series of experiments in groundnut decortication. Detailed reports were produced.

GARI

100. No funds were available to continue the development of a pilot scale mechanical unit. A new type of hand-operated rotary cassava grater and a press suitable for village-scale production were purchased for trials.

TEXTILE TRAINING

101. Of the 12 trainees at the Mechanical Textile Training Centre at Moloney Street, Lagos, seven passed out in March 1956, having completed the course satisfactorily : one left for personal reasons and one was referred in practical work for one year. The remaining three were in their first year.

102. With a view to gaining practical experience, trainees were sent in turn to the Ogunbiyi textile workshop and to the Nigerian Spinning Company to work under the supervision of the Textile Officer.

103. Trainees participated in a number of interesting projects undertaken at the Centre. These included the weaving of hand-spun pineapple fibre into cloth which was later bleached and dyed, the examination of yarn spun by the Nigerian Spinning Company, the dyeing of yarn for use by a local weaving workshop, and the designing of furnishing fabrics.

104. Whenever possible, material produced by the trainees was sold. During 1955-56, some 640 yards of cloth, part of which had been woven in the previous year, realised over £78.

105. In June 1955, the Training Centre came under the supervision of the first Nigerian to be appointed Textile Officer.

BOATBUILDING

106. Work at the Federal Boatyard at Opobo went ahead well. Four craft were launched during the year, and of seven under construction at the end of the year, the hulls of five had been completed. Details are given in Appendices VII and VIII.

107. *Creekcraft*.—The object of this design was to provide an efficient and safe small passenger launch with low running costs at a price within the reach of the small operator. The three craft in service with local operators were a marked success: one operator alone claimed to have carried 24,000 passengers in eleven months' working. Further evidence of the popularity of the creekcraft is afforded by the building programme of the Oil Rivers Boatyard (owned by the Eastern Region Development Corporation) which includes 60 vessels of this type.

108. *Fishing Boats*.—Three different types of fishing boat have been designed and built at Opobo. The last of these, the 39-ft m.f.v. *Fawari*, underwent fishing trials between April 1955, and February 1956, under the supervision of a Master Fisherman of the Federal Fisheries Service. His report was most favourable and it was with reluctance that he returned the boat to the Department at the end of the trial period. It has since been sold to the Western Region Department of Industries for use by the Regional Fisheries Section.

109. *Powered Barges*.—Preliminary trials of No. 5 Barge were most encouraging, a speed of eight knots being obtained with a load of 25 tons.

110. *Launches*.—The 32 ft high-speed motor launch was completed early in 1956. Extensive trials are to be carried out to assess the suitability of this type of craft for use by H.M. Customs, the Nigeria Police and others.

111. The three 20 ft launches, which can carry six persons and approximately 10 cwt of cargo at a speed of twelve knots, were designed as utility vessels for operation in the rivers and creeks. Some delay was experienced in the delivery of engines for these craft.

112. *Experimental Measures against Marine Borers*.—With the use of copper anti-fouling compounds, a measure of success was achieved in solving the problem of marine borer attack on wooden hulls. The hull of the m.f.v. *Fawari* which was treated in this way, showed no signs of marine borer attack after twelve months' operation. The 20-ft launch hulls may be used for further experiments.

113. *Staff Training*.—After five years' training a number of artisans passed the trade test for Boatbuilders, Grade II. The standards applied in this trade test were formulated by the boatbuilding officers of the Department and were accepted by the Labour Department.

INDUSTRIAL EXTENSION WORK

114. *The Nigerian Spinning Company, Lagos*.—In September 1955, the Department was asked to provide specialist officers to undertake the technical aspects of the work of rehabilitating the Southern Textile Mill at Mushin, following its acquisition by the Nigerian Spinning Company.

115. The weaving section of the mill had been designed and erected by the Department on behalf of the previous owner in 1949, but at his request the Department's officers were withdrawn in 1951. Thereafter, the enterprise suffered from a lack of qualified technical

and managerial staff and ceased production in 1954. The mill is equipped with 1,600 spindles and fourty plain looms, together with the necessary opening, carding, preparation and finishing machinery. When, in September 1955, the Department's help was again invoked, none of this equipment was in working order. Indeed, the machinery was in need of such complete overhaul as to amount to virtual rebuilding.

116. The work of restoring the mill as an integrated spinning and weaving unit was further hampered by the fact that the space originally allocated for offices and stores had been utilised in the interval to house spinning machinery with the result that there was no room for stocks of raw materials or work-in-progress.

117. By the end of 1955, about 25 per cent of the machines had been repaired, and operatives were being trained. Early in 1956, yarn of good weavable quality was being produced, and the first cotton drill to be woven in Nigeria entirely from yarn spun in Nigeria from Nigerian cotton was coming off the looms.

118. Subsequent efforts were directed towards bringing more machinery into use, improving the quality and introducing the necessary finishing processes. By the end of the year half the looms and half the spindles were in running order, and 5,000 yards of cloth had been produced for sale.

119. *The Kano Citizens Trading Company.*—The only help asked for was with dyeing; the Dye Chemist paid several visits to Kano and provided dyeing formulae for a number of special shades required by the Company's customers.

120. *Regional Textile Centres.*—The Dye Chemist also visited the Textile Centres at Ado Ekiti, Auchi and Oyo in the Western Region and at Ilorin and Kano in the Northern Region and gave demonstrations of modern dyeing techniques. He maintained close liaison with the Centre at Aba in the Eastern Region until his own headquarters were transferred from there to Oshodi.

121. *Other projects.*—An Industrial Officer was lent to the Western Region Government for a fortnight to enable him to carry out a survey of a bone-crushing mill near Ibadan and make recommendations for its improvements.

ENGINEERING

122. Among the more important assignments undertaken by the Engineering Section were :—

(i) *Temporary Buildings at Oshodi.*—The reconditioning of the old wooden buildings at Oshodi for the Institute of Applied Technical Research was planned and started.

(ii) *Industrial Estate, Yaba.*—The designing of a theoretical layout for an industrial estate enabled the viability of the scheme to be assessed. Various possible sites were examined and more detailed plans for an estate based on the most favourable of these were drafted. Plans were submitted to the Lagos Executive Development Board, the Lagos Town Council and the Federal Lands Officer for comment.

(iii) *Factory Layout.*—Plant layout were prepared for a large-scale sack factory. Plans for a biscuit factory were drawn up at the request of a Nigerian businessman. Detailed drawings of recommended extensions to the Southern Textile Mill at Mushin were prepared; and modifications to the bone-crushing mill at Ibadan were suggested.

(iv) *Machinery Design.*—(a) A rope walk of more ambitious design than any previously used in Nigeria was planned in conjunction with the Fibre Section and erected at Oshodi. It was nearly complete by the end of the year.

(b) An officer of the Department designed a machine for processing hard fibres of the varieties found in Nigeria. The design was considered to warrant the expenditure of Government funds on its development and the taking out of a provisional patent at Government expense. The drawings were completed by the end of the year. A prototype is to be built.

STORES

123. A reduction in the volume of stores required to be held in Lagos made it possible to hand over the Department's store at Apapa to the Government Coastal Agent.

124. The remaining stocks of Duala yarn were transferred to a temporary store at Oshodi. During the year, a small quantity of this yarn was issued to Textile Centres and attempts were made to popularise it by providing a more acceptable pack and by offering to dye the yarn in a variety of colours. At the end of the year, 99 bales remained unsold.

AID TO PIONEER INDUSTRIES ORDINANCE

125. The Department undertook the preliminary examination, on behalf of the Federal Ministry of Trade and Industry, of applications and representations made under this Ordinance. During the year, representations in respect of the following industries were considered :—

Asbestos	Meat processing
Batteries	Metal goods
Bonecrushing	Oil refining (vegetable)
Bulk storage and transport of oil	Paint
Ceramics	Paper and pulp
Cereal milling	Plastics
Confectionery	Salt
Dredging	Starch
Enamelware	Steel pipes, doors and windows
Fertilisers	Tanning
Glassware	Tarpaulins
Hotels	Tea and coffee processing
Iron, ore mining	Textiles
Leather footwear	Tyres

IMMIGRATION

126. Fifty-two applications for permission to employ expatriates in industry were referred to the Department for comment.

CUSTOMS TARIFF ADVISORY COMMITTEE

127. A special sub-committee, of which the Director was a member, was set up towards the end of 1955 to make recommendations in regard to the policy which Government should adopt in relation to applications by local industries for relief from customs duty on imported plant and raw materials. The sub-committee's report had not been published by the end of the year.

128. In May 1955, at the request of the Federal Ministry of Trade and Industry, the Department undertook a detailed study of the economics of the singlet making-up industry. The need for this enquiry arose out of a request by Nigerians engaged in the industry for increased protection in the form of a higher rate of duty on imported singlets.

TECHNICAL EDUCATION

129. A member of the Department was nominated to represent the Director on a committee set up early in 1956, by the Chief Federal Adviser on Education, to make recommendations in regard to technical education.

VIII.—LAGOS TRADE AND INDUSTRIAL ADVISORY COMMITTEE

130. On the 15th November, 1955, the Committee was informed of the decision by the Federal Minister of Trade and Industry to terminate its existence. The reason for this decision was that such major constitutional changes had occurred since the Committee was originally appointed in 1950, that it was no longer considered to be an appropriate medium for fulfilling the objects for which it was set up. In all, the committee held 48 meetings during the five years of its existence, and did much useful work in its early stages.

131. Only two meetings were held in the period between the 1st April, 1955, and the 15th November, 1955. The most important matter discussed at these meetings was a proposal to revise the Registration of Business Names Ordinance with a view to making it a more effective instrument for the protection of the public against trade malpractices.

J. E. B. HALL,
Director

23rd December, 1957.

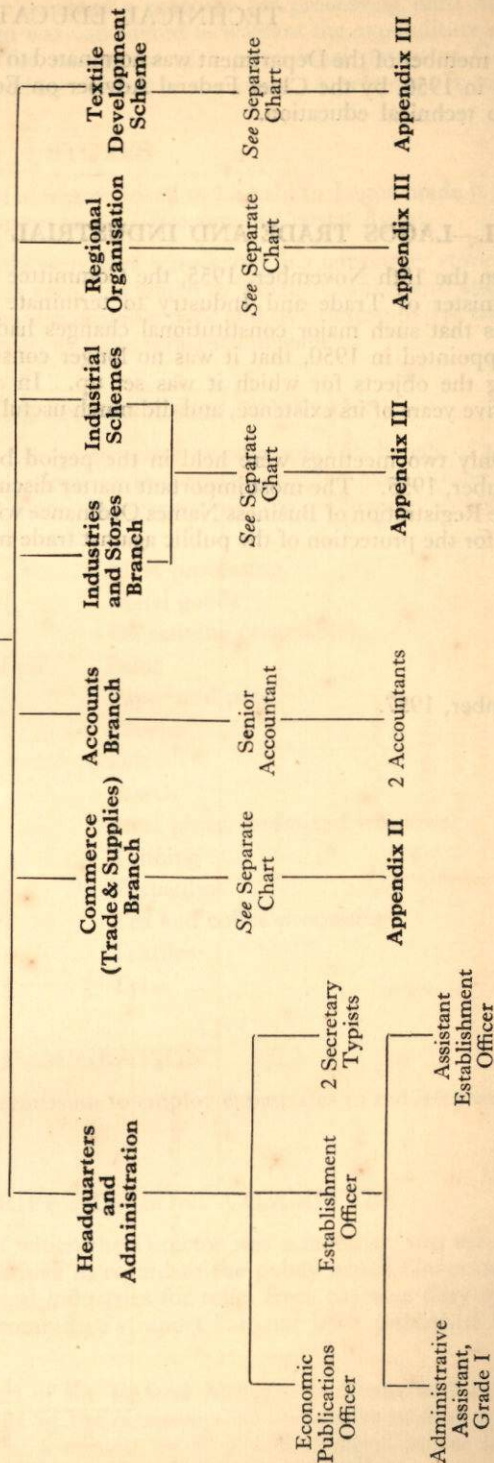
APPENDIX I

FEDERAL DEPARTMENT OF COMMERCE AND INDUSTRIES 1955-56

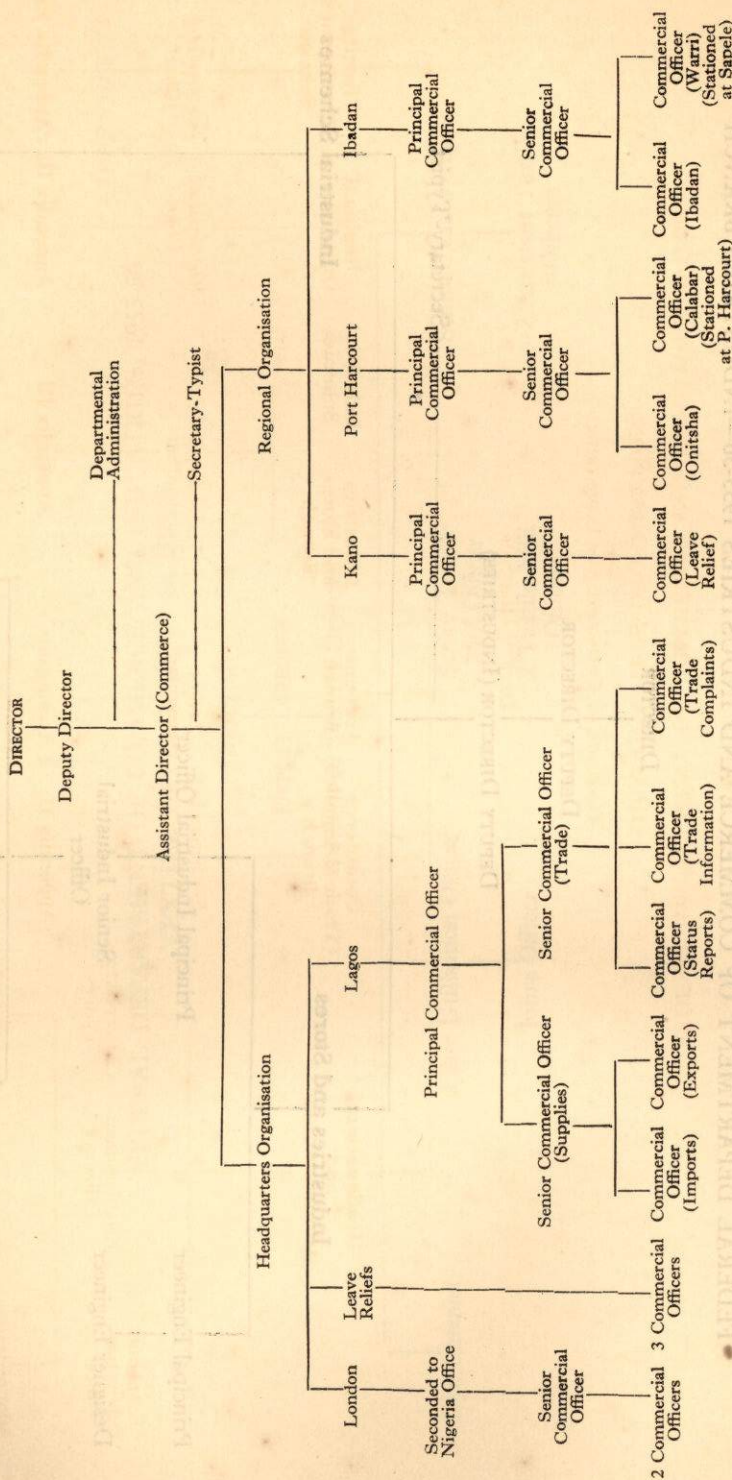
HEADQUARTERS ORGANISATION

DIRECTOR OF COMMERCE AND INDUSTRIES

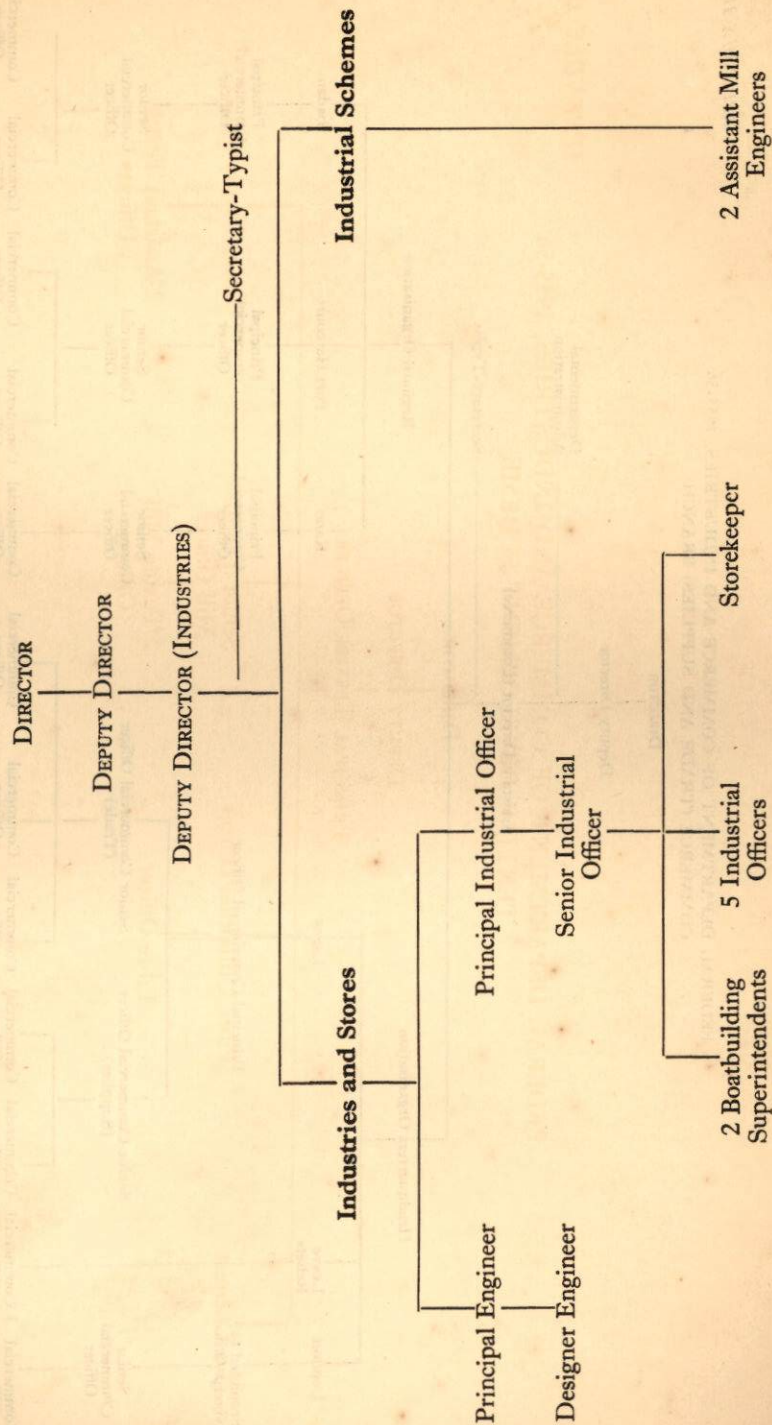
DEPUTY DIRECTOR



FEDERAL DEPARTMENT OF COMMERCE AND INDUSTRIES, 1955-56
COMMERCE (TRADE AND SUPPLIES) BRANCH

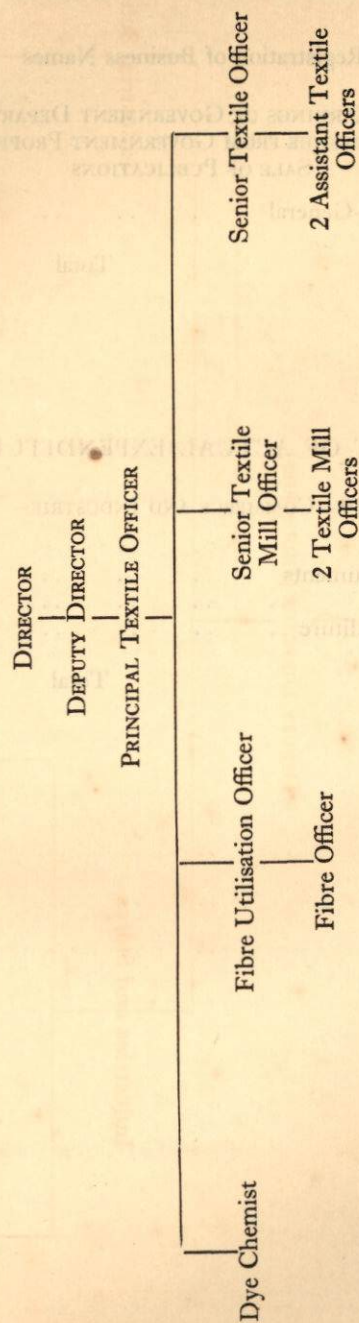


APPENDIX III
FEDERAL DEPARTMENT OF COMMERCE AND INDUSTRIES 1955-56—INDUSTRIES BRANCH



APPENDIX IV

FEDERAL DEPARTMENT OF COMMERCE AND INDUSTRIES, 1955-56 TEXTILE DEVELOPMENT SCHEME



APPENDIX V

STATEMENT OF ACTUAL REVENUE, 1955-56

HEAD 5—FEES OF COURT OR OFFICE

	£	s	d
Sub-head 1—Registration of Business Names ..	3,045	8	0

HEAD 9—EARNINGS OF GOVERNMENT DEPARTMENTS
AND REVENUE FROM GOVERNMENT PROPERTY
SALE OF PUBLICATIONS

Sub-head 23—General	1,698	18	0
Total ..	<u>£4,744</u>	<u>6</u>	<u>0</u>

APPENDIX VI

STATEMENT OF ACTUAL EXPENDITURE, 1955-56

HEAD 59—COMMERCE AND INDUSTRIES

	£	s	d
Personal Emoluments	96,323	3	3
Other Charges	47,354	19	2
Special Expenditure	2,868	6	6
Total ..	<u>£146,546</u>	<u>8</u>	<u>11</u>

11-2-58
15-4-58
23-4-58
5-5-58