

of the boom some companies took up land which was unsuited to rubber cultivation and when prices fell soon afterwards they surrendered the land to the Government. During 1912 Pantai Limited surrendered a grant for 222 acres in Seremban District, 'obviously taken up for purposes of flotation only'.⁴ More rubber companies were formed to work land in Malaya in the years 1909 and 1910 than had existed in 1908. Speculation was rife. During 1910 thirty-three estates changed hands in Negri Sembilan alone. In Kedah in the same year there was great activity in dealing in rubber estates and in applications for land for rubber plantations; more than half the estates in the state changed hands.⁵

Most of the companies formed in 1909 and 1910 were over-capitalized in relation to the necessary cost per acre for opening new estates. As the boom waned in the following two years, however, a series of new estates were opened by companies and individuals on a more conservative basis and under careful and experienced management. In these cases the usual rate of investment averaged £25 to £30 per acre until the trees matured. By 1912 sixty rubber planting companies were operating in the Federated Malay States, and in that year they paid dividends varying from 20 per cent. to 275½ per cent., the average being 68 per cent.⁶ Although prices were at a peak only for a few months in late 1909 and early 1910, very considerable profits were still made in 1912. At the same time much of the rubber planted during the first boom was beginning to yield and production increased markedly, especially in the western Malay States (Fig. 37).

During this boom period European companies were particularly anxious to acquire land already planted with rubber for this reduced the initial investment and ensured quicker returns; it also helped to attract investors in Britain. There was therefore an increasing tendency for the old Chinese plantations whether of sugar, gambier or tapioca, to pass into the hands of European

⁴ A.R. Seremban Land Office, 1912, 3.

⁵ A.R. Negri Sembilan, 1910, 3; A.R. Kedah, 1328 A.H., 13 January 1910-11, January 1911, 12.

⁶ C.E. Akers, *Report on the Rubber Industry of the Orient*, London, 1912, 25-26.

companies which offered large sums for interplanted land. Many Chinese and also Malay smallholders began to plant rubber on their land with this end in view. Thus Teo Peng Kim, a resident of Kuala Lumpur, planted a block of land at Temiang in Negri Sembilan which she sold in November 1910 to the United Temiang Syndicate for \$30,000. Before the end of the year, in conjunction with Lim Ju Keng, she applied for and was granted 1,000 acres of *lalang* land at Batang Malaka for rubber planting, presumably hoping to repeat her earlier success.⁷ Simultaneously Malay smallholders responded to the new method of acquiring wealth, stimulated by the early successes of a few of their kind. In 1909 for instance, a Malay in Matang District, Perak, sold twelve acres of rubber for \$8,000; the appetite of the smallholders was 'whetted to plant more for the demented foreigner to buy'.⁸

The prospects of large returns also produced a tremendous increase in planting activities on estates old and new. Between 1909 and 1912 the acreage planted with rubber on estates in Malaya increased by 110 per cent., the number of estates in existence almost doubled and the total area alienated for rubber planting on estates rose by 642,000 acres. The year of greatest activity for the estates was 1911, when 332 new estates were opened, 343,000 acres were alienated for rubber and 180,000 acres were newly planted (Table 21).

TABLE 21

RUBBER ESTATES IN MALAYA, 1908-13
(as at 31 December).

Year	Number of Estates	Total Alienated Acreage	Acreage Planted with Rubber
1908	417	762,408	241,138
1909	534	855,992	292,035
1910	632	1,014,414	362,853
1911	964	1,357,698	542,877
1912	1,055	1,498,282	621,621
1913	1,151	1,622,231	708,545

Source: A.R. Director of Agriculture, F.M.S. for relevant years.

⁷ N.S.S.F., *Tampin* 3052/1910.

⁸ A.R. Perak, 1909, 11.